

**CERTIFIED
COPY**

BEFORE THE
CALIFORNIA WASTE MANAGEMENT BOARD
FOR THE STATE OF CALIFORNIA

IN THE MATTER OF THE:)
REGULAR MONTHLY BOARD MEETING)
APRIL 20, 1989)
-----)

DATE AND TIME: THURSDAY, APRIL 20, 1989, 9:00 A.M.

PLACE: BOARD HEARING ROOM
1020 NINTH STREET
SACRAMENTO, CALIFORNIA

REPORTER: BETH C. DRAIN, CSR
CERTIFICATE NO. 7152

(13)(4)
(S)

*Barristers'
reporting service*

1600 EAST FOURTH STREET, SUITE 220
SANTA ANA, CALIFORNIA 92701
TELEPHONE (714) 953-4447

APPEARANCES

MR. JOHN E. GALLAGHER, CHAIRMAN
MR. JOHN C. MOSCONE
MR. SAM ARAKALIAN
MR. PHILLIP BEAUTROW
MRS. GINGER BREMBERG
MR. E. L. VARNER
MR. LES BROWN
DR. GEORGE TCHOBANOGLOUS
MR. JAMES LOCKINGTON

STAFF PRESENT

MR. GEORGE EOWAN, CHIEF EXECUTIVE OFFICER
MR. HERBERT IWAHIRO, CHIEF DEPUTY EXECUTIVE OFFICER
MR. ALAN OLDALL, DEPUTY EXECUTIVE OFFICER
MS. JOELLEN JACKSON, DIRECTOR OF LEGISLATION
AND PUBLIC AFFAIRS
MR. ROBERT F. CONHEIM, GENERAL COUNSEL

MS. KAREN TRGOVCICH
MR. BILL ORR
MR. BERG
MR. CY ARMSTRONG
MR. GEORGE LARSON
MR. JOHN SMITH
MS. VASQUEZ
MR. STEVEN AULT
MR. JESS ADAMS
MR. DON DIER

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1 APRIL 20, 1989

2
3 CALIFORNIA WASTE MANAGEMENT BOARD

4
5 CHAIRMAN GALLAGHER: CALL THE MEETING OF THE
6 CALIFORNIA WASTE MANAGEMENT BOARD TO ORDER. I'D LIKE TO
7 WELCOME GUESTS FROM OUTSIDE. ALSO LIKE TO ADMONISH IF
8 YOU WISH TO APPEAR BEFORE THE BOARD, THERE ARE SOME FORMS
9 ON THE BACK TABLE. PLEASE FILL ONE OF THEM OUT,
10 INDICATING THE ISSUE ON YOU WISH TO TESTIFY, AND HAND IT
11 TO ONE OF OUR NICE SECRETARIES, WHO WILL SEE THAT YOU GET
12 INTO THE AGENDA.

13 CHAIR HAS A DISTINCT PLEASURE THIS MORNING
14 IN WELCOMING A NEW BOARD MEMBER. WE ARE, AFTER SOME
15 TIME, UP TO OUR FULL COMPLEMENT. IT'S A PLEASURE FOR ME
16 TO PRESENT TO YOU MR. JIM LOCKINGTON, OUR NEW BOARD
17 MEMBER. WELCOME ABOARD, JIM, GLAD TO HAVE YOU.

18 (APPLAUSE.)

19 CHAIRMAN GALLAGHER: IT'S ALSO A GREAT PLEASURE
20 FOR ME TODAY TO TELL YOU THAT A VERY DEAR FRIEND AND
21 BOARD MEMBER HAS BEEN ELECTED TO WASTE AGE HALL OF FAME,
22 MR. JOHN MOSCONE, OUR DEAR VICE CHAIRMAN --

23 (APPLAUSE.)

24 CHAIRMAN GALLAGHER: -- IS FINALLY GETTING THE
25 RECOGNITION THAT HE DESERVES.

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1 BOARD MEMBER BEAUTROW: IS THAT IN OHIO?

2 CHAIRMAN GALLAGHER: HE REFUSES TO GO. THEY'RE
3 NOT GOING TO ENSHRINE HIM IN ANYTHING.

4 BOARD MEMBER MOSCONE: MIGHT HAVE THE SENATE
5 RULES COMMITTEE AFTER ME.

6 CHAIRMAN GALLAGHER: WE'D ASK THE EXECUTIVE
7 OFFICER IF THERE'S ANY CHANGE IN THE ORDER OF THE AGENDA.

8 MR. EOWAN: GOOD MORNING, MR. CHAIRMAN, MEMBERS.
9 PRETTY MUCH WE CAN, I THINK, STAY ON TRACK. THIS
10 MORNING, THOUGH, WE WOULD LIKE TO HEAR, IN ADDITION TO
11 ITEMS 1 AND 2, ITEM 3 TO ACCOMMODATE SOME TRAVELERS FROM
12 OUT OF TOWN. THEN THERE ARE SOME SPECIAL REQUESTS. ITEM
13 NO. 4 ON FRIDAY, ITEM NO. 10 ON FRIDAY, AND ITEM NO. 12
14 FRIDAY FIRST THING.

15 CHAIRMAN GALLAGHER: TWELVE FIRST THING. THAT'S
16 THE CONTRA COSTA ON FRIDAY.

17 ALL RIGHT. ARE WE READY -- MR. CONHEIM.

18 ATTORNEY CONHEIM: JUST BEFORE WE START, I WOULD
19 LIKE TO INTRODUCE TO YOU MAUREEN CARR MORRISON, WHO I
20 HAVE SELECTED AS OUR NEW ASSISTANT GENERAL COUNSEL. AND
21 SHE -- I WANT YOU TO KNOW -- I WANT HER TO STAND UP NOW
22 SO THAT IF I HAVE TO LEAVE THE ROOM AND YOU HAVE A
23 QUESTION, YOU WILL BE ABLE TO KNOW WHO YOU ARE GOING TO
24 DIRECT IT TO. AND I HAVE EVERY CONFIDENCE THAT WE'RE
25 GOING TO HAVE A VERY PRODUCTIVE RELATIONSHIP. AND,

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1 AGAIN. I HAVE GREAT EXPECTATIONS FOR BEING ABLE TO SERVE
2 YOUR LEGAL NEEDS AS A BOARD MEMBER, AND AS A BOARD VERY
3 WELL WITH MAUREEN'S COMING TO THE BOARD. THANK YOU.

4 CHAIRMAN GALLAGHER: THANK YOU, BOB. WELCOME,
5 MAUREEN. NICE TO SEE YOU.

6 AGENDA ITEM NO. 1.

7 MR. IWAHIRO: MR. CHAIRMAN, WE'RE CONTINUING OUR
8 RELENTLESS PURSUIT FOR REGULATIONS FOR FINANCIAL
9 MECHANISMS FOR 2448. AND I THINK YOU WILL RECALL AT THE
10 LAST MEETING THAT ICF, OUR CONTRACTOR, PRESENTED AN
11 ANALYSIS OF THE VARIOUS MECHANISMS. AND FROM THAT YOU
12 GAVE US DIRECTION TO DEVELOP SOME REGULATIONS OR DRAFT
13 REGULATIONS, WHICH WE HAVE DONE, AND THEY ARE INCLUDED IN
14 THE PACKET.

15 IN CONNECTION WITH THAT, YOU ALSO APPOINTED
16 A COMMITTEE, INCLUDING A COUPLE -- TWO OF THE BOARD
17 MEMBERS AND PEOPLE FROM THE PUBLIC SECTOR. AND THEY HAVE
18 MET AND HAVE CONSIDERED SOME PROPOSALS THAT WOULD MEET
19 THE INTENT OF THE LAW AND ALSO WOULD, HOPEFULLY, HELP
20 THEIR -- CARRYING OUT THEIR RESPONSIBILITIES. AND SO WE
21 WILL INCLUDE RECOMMENDATIONS FROM THAT COMMITTEE AS WELL.

22 SO I'LL TURN OVER TO KAREN TRGOVCICH, WHO
23 WILL GIVE US A RUNDOWN ON WHAT'S PRESENTED IN THE PACKET.

24 CHAIRMAN GALLAGHER: THANK YOU.

25 MS. TRGOVCICH: GOOD MORNING, MR. CHAIRMAN AND



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1 MEMBERS.

2 LAST NOVEMBER THE BOARD AWARDED A CONTRACT
3 TO ICF INCORPORATED TO ASSIST BOARD STAFF IN THE
4 DEVELOPMENT OF THE FINANCIAL MECHANISMS WHICH ARE
5 NECESSARY TO IMPLEMENT THE REQUIREMENTS OF AB 2448, AS
6 WELL AS ADDITIONAL LEGISLATION REQUIRING THE BOARD TO
7 REQUIRE FINANCIAL LIABILITY AT OPERATING LANDFILLS. AT
8 THE MARCH MEETING IN MODESTO LAST MONTH, ICF INCORPORATED
9 PRESENTED TO THE BOARD AN ANALYSIS OF FINANCIAL
10 MECHANISMS WHICH COULD BE USED BY OPERATORS TO FULFILL
11 THESE REQUIREMENTS.

12 DURING THIS LAST BOARD MEETING, THE BOARD
13 DISCUSSED THE VARIOUS FINANCIAL MECHANISMS AND WHEN --
14 INDICATED TO ICF TO GO FORWARD WITH THE DEVELOPMENT OF
15 REGULATIONS IN SEVERAL AREAS. THEY INCLUDED FINANCIAL
16 MECHANISMS TO COVER THE COSTS OF CLOSURE, PLUS FINANCIAL
17 MECHANISMS TO COVER THE COST OF POSTCLOSURE.

18 INCLUDED IN YOUR BOARD PACKET TODAY ARE THE
19 DRAFT REGULATIONS WHICH MR. MIKE BERG OF ICF INCORPORATED
20 IS HERE TO PRESENT TO YOU TODAY. THESE DRAFT REGULATIONS
21 COVER THE REQUIREMENT FOR AN OPERATOR OF A SOLID WASTE
22 LANDFILL TO EITHER SET ASIDE FUNDS OR OTHERWISE GUARANTEE
23 FUNDS TO COVER THE COSTS OF CLOSURE PLUS 15 YEARS OF
24 POSTCLOSURE MAINTENANCE.

25 AS MR. IWAHIRO STATED, THE BOARD ALSO

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1 APPOINTED A SUBCOMMITTEE, WHICH HAS MET TWICE SINCE THIS
2 LAST BOARD MEETING.

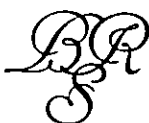
3 AT THE END OF THIS PRESENTATION, WE WILL
4 PRESENT TO YOU THE RECOMMENDATIONS OF THIS SUBCOMMITTEE
5 IN THE AREA OF FINANCIAL MECHANISMS AVAILABLE TO PUBLIC
6 OPERATORS. WITH THAT, I'D LIKE TO TURN IT OVER TO MR.
7 MIKE BERG OF ICF INCORPORATED WHO WILL SUMMARIZE FOR YOU
8 THE PROPOSED DRAFT REGULATIONS.

9 MR. BERG: THANK YOU, MR. CHAIRMAN, MEMBERS OF
10 THE BOARD.

11 I'LL PROCEED BY BRIEFLY DESCRIBING THE
12 SOURCES OF INFORMATION I USED TO DEVELOP THE DRAFT
13 REGULATIONS. SECOND, GO THROUGH ON A SECTION-BY-SECTION
14 BASIS IDENTIFYING THE OBJECTIVE FOR THAT SECTION, HOW IT
15 WOULD OPERATE, AND SOME OF THE KEY TERMS AND POLICIES
16 IMPLICIT WITHIN THOSE RULES. AND, THIRD, I'LL QUICKLY
17 DISCUSS THE MECHANISMS WHICH ARE PRESENTED AT THE END OF
18 THE PACKET.

19 AS I GO THROUGH THIS ANALYSIS, PLEASE ASK
20 ANY QUESTIONS AS THEY ARISE. IT'S A COMPLICATED AREA
21 THAT TAKES A LONG TIME TO UNDERSTAND.

22 FIRST, IN TERMS OF THE SOURCES OF
23 INFORMATION USED TO DEVELOP THESE RULES, I USED THREE
24 PRIMARY SOURCES, TWO SETS OF EPA RULES AND CALIFORNIA DHS
25 RULES. THE BASIC REASON FOR RELYING ON THESE IS THERE'S



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1 NO NEED TO REINVENT THE WHEEL. FINANCIAL RESPONSIBILITY
2 HAS BEEN AROUND IN FEDERAL PROGRAMS SINCE AT LEAST THE
3 EARLY 1980S.

4 THE FIRST SOURCE ARE EPA'S HAZARDOUS WASTE
5 RULES, IN PARTICULAR THE FINANCIAL RESPONSIBILITY
6 REQUIREMENTS FOR HAZARDOUS WASTE TREATMENT, STORAGE, AND
7 DISPOSAL FACILITIES. ALTHOUGH THE REGULATED COMMUNITY IS
8 DIFFERENT THERE, THE TECHNICAL ISSUES AND PROBLEMS ARE
9 MUCH DIFFERENT. FINANCIAL RESPONSIBILITY OPERATES IN THE
10 SAME MANNER AS IT DOES FOR SOLID WASTE LANDFILLS.

11 THE SECOND SOURCE OF INFORMATION WAS THE
12 CALIFORNIA DEPARTMENT OF HEALTH SERVICE REGULATIONS.
13 THEY DEVELOPED THEIR RULES BASED ON EPA'S REQUIREMENTS
14 THAT I JUST MENTIONED, BUT THEY ALSO PATTERN THEM AFTER
15 EXISTING FINANCIAL PRACTICES WITHIN THE STATE OF
16 CALIFORNIA. SO WHERE THERE ARE SOME DIFFERENCES BETWEEN
17 TWO SETS OF RULES, I TENDED TO RELY ON THE CALIFORNIA
18 RULES THAT ARE CURRENTLY IN PLACE.

19 THE FINAL SOURCE ARE EPA'S FINANCIAL
20 RESPONSIBILITY REQUIREMENTS UNDERGROUND STORAGE TANKS,
21 WHICH HAVE BEEN DEVELOPED IN THE LAST COUPLE OF YEARS.
22 THESE HAVE, TO SOME EXTENT, ADVANCED THE STATE OF THE ART
23 IN FINANCIAL RESPONSIBILITY. SO THERE ARE A FEW KEY
24 TERMS AND PROVISIONS THAT I PULLED FROM THOSE RULES.

25 IN ADDITION, THEY'RE ORGANIZED, I THINK, IN

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1 A MUCH BETTER WAY THAN EITHER OF THE TWO OTHER TYPES OF
2 FINANCIAL RESPONSIBILITY REQUIREMENTS. AND SO THE
3 ORGANIZATION HERE -- IF YOU LOOK AT THE TABLE OF CONTENTS
4 ON PAGE 3 OF THE PACKET, I'LL REFER TO THE PAGE NUMBERS
5 AT THE BOTTOM OF THE PAGE THROUGHOUT MY PRESENTATION --
6 YOU'LL SEE THAT IT'S RELATIVELY CLEAR TO AN OPERATOR, BY
7 LOOKING AT THE TITLES OF THE DIFFERENT SECTIONS, WHAT
8 REQUIREMENTS THEY HAVE TO WORRY ABOUT.

9 THE FIRST SECTION SAYS WHAT'S THE PURPOSE
10 OF THESE RULES, WHO DO THEY APPLY TO. SECOND HAS THE
11 DEFINITION. THE THIRD SAYS HOW MUCH COVERAGE DO THEY
12 HAVE TO DEMONSTRATE. THE FOURTH SAID WHAT MECHANISMS CAN
13 THEY USE. AND THE FOLLOWING SECTIONS UP THROUGH THE
14 GUARANTEE LIST MECHANISMS THAT ARE POTENTIALLY -- THAT
15 ANY OPERATOR OR THAT SOME OPERATORS COULD USE.

16 THE REMAINING PROVISIONS HAVE TO DO WITH
17 WHAT HAPPENS IF AN OPERATOR SEEKS TO CANCEL THEIR
18 COVERAGE -- THE PROVIDER SEEKS TO CANCEL IF SOMEONE GOES
19 BANKRUPT, AND OTHER SIMILAR TYPES OF REQUIREMENTS.

20 STARTING ON PAGE 4, THEN, LET'S DISCUSS
21 EACH SECTION, SECTION-BY-SECTION. FIRST SECTION
22 IDENTIFIES THE PURPOSE OF THE RULES, AS WELL AS WHO'S
23 SUBJECT TO THEM. THE TERMS TAKEN -- THE TERMS OF THIS
24 SECTION ARE TAKEN FROM THE STATUTE.

25 THE REQUIREMENTS WILL APPLY TO OPERATORS OF



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1 SOLID WASTE LANDFILLS. EVEN THOUGH -- AS THE STATUTE
2 REQUIRES. NEVERTHELESS, OWNERS CAN PLAY A ROLE IN
3 HELPING AN OPERATOR TO DEMONSTRATE FINANCIAL
4 RESPONSIBILITY. FOR EXAMPLE, AN OWNER COULD HELP AN
5 OPERATOR FUND A TRUST FUND, COULD PROVIDE COLLATERAL IN A
6 LETTER OF CREDIT OR SURETY BOND.

7 IN ADDITION, BASED ON THE WAY THE
8 PERMITTING REQUIREMENTS ARE ESTABLISHED, AN -- THE PERSON
9 WHO IS AN OPERATOR FOR PURPOSES OF FINANCIAL
10 RESPONSIBILITY MAY BE A DIFFERENT PERSON THAN OPERATES
11 THE REMAINING ASPECTS OF THE LANDFILL'S OPERATION.

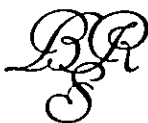
12 THE NEXT SECTION ARE DEFINITIONS. HERE
13 THERE ARE SEVERAL TYPES OF TERMS. PROBABLY MORE THAN
14 HALF OF THESE ARE FINANCIAL TERMS WHICH ARE CONSISTENT
15 WITH EPA AND DHS DEFINITIONS. SOME OTHER TERMS REFER TO
16 THINGS LIKE WHAT THE CURRENT COST ESTIMATES REFER TO,
17 WHAT'S A PROVIDER OF FINANCIAL RESPONSIBILITY, AND SO
18 FORTH.

19 THERE ARE TWO KEY TERMS I'D LIKE TO POINT
20 YOUR ATTENTION TO, AND THAT'S ON PAGE 5, SECTIONS O AND
21 R, REMAINING PERMITTED CAPACITY AND TOTAL PERMITTED
22 CAPACITY. THOSE ARE TERMS WHICH WILL BE USED IN THE NEXT
23 SECTION TO ESTABLISH THE REQUIREMENTS FOR GRADUALLY
24 BUILDING UP A TRUST FUND OR ENTERPRISE FUND. THE TERM
25 "TOTAL PERMITTED CAPACITY" IS A LITTLE BIT DIFFERENT THAN

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1 WHAT IT MIGHT SEEM AT FIRST GLANCE.

2 BASICALLY, THE TOTAL PERMITTED CAPACITY,
3 INCLUDING ANY CHANGES MADE OVER TIME AND ALLOWABLE
4 CAPACITY IN THE PERMIT. BUT IT EXCLUDES ANY CAPACITY
5 THAT'S ALREADY BEEN FILLED WHEN THE REGULATIONS TAKE
6 EFFECT. WE'LL GET BACK TO THAT IN THE NEXT SECTION.

7 MOVING ON TO THE AMOUNT OF COVERAGE.

8 BOARD MEMBER BEAUTROW: EXCUSE ME. CAN I
9 COMMENT RIGHT AT THIS POINT, OR WOULD YOU, JOHN, RATHER
10 WAIT TILL THE END?

11 CHAIRMAN GALLAGHER: I THINK HE ASKED IF YOU HAD
12 QUESTIONS. BRING THEM UP WHEN THEY OCCUR TO YOU.

13 BOARD MEMBER BEAUTROW: REGARDING THIS CAPACITY,
14 I CAN'T THINK OF ANY OTHER SUBJECT THAT IS MORE
15 CONTROVERSIAL AND MISUNDERSTOOD AS WHAT THAT MEANS. AND
16 YOU BETTER TALK ABOUT CUBIC YARDS, TONS, HOW IT'S
17 MEASURED. I MEAN, EVERYBODY -- IT'S LIKE HAVING A
18 FLEXIBLE YARDSTICK. AND JUST PUTTING THE DEFINITION IN
19 THERE IS NOT GOING TO DO IT WHEN IT COMES DOWN TO
20 SOMEBODY SUBMITTING INFORMATION BECAUSE EVERYBODY IS
21 USING A DIFFERENT STANDARD OF HOW MUCH COMPACTION: SOME
22 USE CUBIC YARDS, SOME USE TONS, SOME DON'T HAVE SCALES.

23 SO THERE HAS TO BE SOME KIND OF AN
24 UNDERSTANDING ABOUT WHAT WE'RE TALKING ABOUT. IT'S NOT
25 LIKE ONE INCH IS ALWAYS ONE INCH IN OUR SOCIETY HERE. SO

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1 I BELIEVE THAT YOU NEED TO GO A LITTLE BIT MORE IN DEPTH
2 OR HAVE SOME FURTHER EXPLANATION RATHER THAN JUST
3 PERMITTED CAPACITY OR REMAINING CAPACITY WHEN IT'S GOING
4 TO BOIL DOWN TO THE CONTROVERSY OF WHAT THAT MEANS.

5 MR. ORR: I THINK THAT'S AN AREA THAT WE'RE
6 GOING TO DEAL WITH IN MORE DETAIL IN THE CLOSURE, THE
7 UNIFORM STANDARDS.

8 THE BASIS FOR THIS WOULD BE, IN FACT, A
9 VOLUME CAPACITY. NOW, IN THE CASE -- IN THE CASE WHERE
10 YOU WERE GOING TO BE LOOKING AT A TONNAGE THAT YOU WERE
11 RECEIVING, THERE MIGHT BE SOME CONVERSION TO THAT YARDS,
12 BUT IT WOULD BE ACTUALLY PHYSICALLY LOOKING AND SEEING
13 WHAT HAS BEEN PLACED THERE, RATHER THAN GO THROUGH SOME
14 PERMUTATION ESTIMATING IT.

15 SO THE TWO THINGS THAT WE'RE LOOKING AT
16 HERE WOULD BE WE'VE GOT A REQUIREMENT THAT ARE IN THE
17 REGS REGARDING AERIAL PHOTOGRAPHY AND SO FORTH, AND YOU
18 COULD CONCEIVABLY FIND OUT HOW MUCH YOU'D FILLED BY THE
19 VOLUME THAT'S SHOWN UP IN THE AERIAL PHOTOS. AND THAT IS
20 AN AREA THAT WE'RE GOING TO BE LOOKING AT IN MORE DETAIL.

21 BOARD MEMBER BEAUTROW: OKAY. BUT I WANT TO
22 POINT OUT THAT THERE'S ALSO THIS ISSUE ABOUT AIR SPACE.
23 IS IT THE VOLUME THAT'S STRICTLY AVAILABLE FOR THE
24 GARBAGE, OR IS IT THE AIR SPACE THAT'S AVAILABLE FOR THE
25 REFUSE PLUS THE TOP SOIL AND THE COVER AND --

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1 WHAT IT MIGHT SEEM AT FIRST GLANCE.

2 BASICALLY, THE TOTAL PERMITTED CAPACITY,
3 INCLUDING ANY CHANGES MADE OVER TIME AND ALLOWABLE
4 CAPACITY IN THE PERMIT, BUT IT EXCLUDES ANY CAPACITY
5 THAT'S ALREADY BEEN FILLED WHEN THE REGULATIONS TAKE
6 EFFECT. WE'LL GET BACK TO THAT IN THE NEXT SECTION.

7 MOVING ON TO THE AMOUNT OF COVERAGE.

8 BOARD MEMBER BEAUTROW: EXCUSE ME. CAN I
9 COMMENT RIGHT AT THIS POINT, OR WOULD YOU, JOHN, RATHER
10 WAIT TILL THE END?

11 CHAIRMAN GALLAGHER: I THINK HE ASKED IF YOU HAD
12 QUESTIONS, BRING THEM UP WHEN THEY OCCUR TO YOU.

13 BOARD MEMBER BEAUTROW: REGARDING THIS CAPACITY,
14 I CAN'T THINK OF ANY OTHER SUBJECT THAT IS MORE
15 CONTROVERSIAL AND MISUNDERSTOOD AS WHAT THAT MEANS. AND
16 YOU BETTER TALK ABOUT CUBIC YARDS, TONS, HOW IT'S
17 MEASURED. I MEAN, EVERYBODY -- IT'S LIKE HAVING A
18 FLEXIBLE YARDSTICK. AND JUST PUTTING THE DEFINITION IN
19 THERE IS NOT GOING TO DO IT WHEN IT COMES DOWN TO
20 SOMEBODY SUBMITTING INFORMATION BECAUSE EVERYBODY IS
21 USING A DIFFERENT STANDARD OF HOW MUCH COMPACTION! SOME
22 USE CUBIC YARDS, SOME USE TONS, SOME DON'T HAVE SCALES.

23 SO THERE HAS TO BE SOME KIND OF AN
24 UNDERSTANDING ABOUT WHAT WE'RE TALKING ABOUT. IT'S NOT
25 LIKE ONE INCH IS ALWAYS ONE INCH IN OUR SOCIETY HERE. SO

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13 WHAT HAS BEEN PLACED THERE, RATHER THAN GO THROUGH SOME
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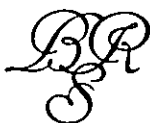
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1 MR. ORR: IT WOULD BE THE AIR SPACE.

2 BOARD MEMBER BEAUTROW: YOU DON'T SAY THAT. I'M
3 JUST TRYING TO POINT OUT THAT THERE'S GOING TO BE SOME
4 DIFFICULTIES IN INTERPRETATION WHEN YOU COME DOWN THE
5 LINE.

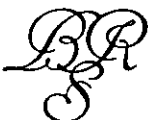
6 CHAIRMAN GALLAGHER: MR. VARNER.

7 BOARD MEMBER VARNER: MAYBE I CAN HELP THE STAFF
8 OUT HERE BECAUSE YOU ARE GETTING A LITTLE AHEAD OF THE
9 THING, PHIL. BECAUSE WE'RE STILL IN THE PROCESS OF
10 DRAFTING SOME REGULATIONS THAT WE HAVE SOME GUIDELINES TO
11 GO BY.

12 AND IN THIS, THEY'RE TAKING THE REMAINING
13 CAPACITY TO FIGURE OUT HOW MUCH THAT SOMEBODY'S GOING TO
14 HAVE TO SET ASIDE IN A GIVEN TIME. SO, IN MY OWN
15 OPINION, THE LOCAL PEOPLE THAT ARE GOING TO BE HANDLING
16 IT ARE THE ONES THAT ARE PRIMARILY GOING TO FIGURE OUT
17 WHAT THE REMAINING CAPACITY IS AND HOW THEY'RE GOING TO
18 SET ASIDE MONEY.

19 SO AS FAR AS I'M CONCERNED, I DON'T CARE
20 HOW THEY FIGURE IT BECAUSE THEY'RE THE ONES THAT'S GOING
21 TO HAVE TO BE RESPONSIBLE FOR IT. IF THEY SAY THEY GOT
22 FIVE YEARS LEFT, THEY'RE GOING TO HAVE TO SET ASIDE MONEY
23 IN THAT FIVE-YEAR PERIOD. BUT IF THEY GOT A LONGER
24 PERIOD, IT'S A DIFFERENT THING. THIS IS REALLY HERE TO
25 TAKE CARE OF THOSE THINGS THAT HAVE A SHORT LIFE LEFT ON

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1 THEM. AND YOU HAVE TO THEN DETERMINE HOW YOU ARE GOING
2 TO SET ASIDE THE MONEY.

3 BOARD MEMBER BEAUTROW: I'M SORRY, SKEET, I
4 DISAGREE BECAUSE WE HAVE AMPLE EVIDENCE OF PEOPLE MAKING
5 ALL KINDS OF OUTRAGEOUS STATEMENTS. THERE'S A COUPLE OF
6 THEM THAT WE'RE FACED WITH RIGHT NOW THAT SAID WE GOT SIX
7 MONTHS LEFT AND THEY'VE BEEN ON IT FOR A YEAR. I BELIEVE
8 YOU GOT TO HAVE SOME REASONABLE MEASURE SO EVERYBODY'S
9 TALKING ABOUT THE SAME THING.

10 IF YOU JUST LET THEM -- WHAT WOULD PROHIBIT
11 A COUNTY OR ANYBODY ELSE WHEN IT SAYS IN THE LAW THEY'RE
12 SUPPOSED TO HAVE EIGHT YEARS OF CAPACITY, THEY'LL TELL US
13 THEY HAVE TEN AND THEY ONLY HAVE FIVE. I JUST SAY THAT
14 THERE OUGHT TO BE SOME --

15 BOARD MEMBER VARNER: WELL, YOU'RE GETTING THE
16 CART BEFORE THE HORSE. WE'VE GOT TO DETERMINE SOME KIND
17 OF A BASIS UPON WHICH TO OPERATE, AND THEN WE'LL START
18 TAKING THE EXTRANEIOUS THINGS AS THEY COME. BUT YOU
19 CANNOT DEVELOP YOUR WHOLE THING ON THE WHAT-IFS THAT
20 MIGHT BE, OR YOU NEVER WILL EVER HAVE ANY BASIS UPON
21 WHICH TO OPERATE.

22 CHAIRMAN GALLAGHER: THANK YOU. ANYTHING
23 FURTHER? PLEASE PROCEED.

24 MR. BERG: PAGE 6, THE SECTION ESTABLISHES WHAT
25 AMOUNT OF COVERAGE AN OPERATOR HAS TO DEMONSTRATE. THERE



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1 ARE FOUR SUBSECTIONS HERE.

2 THE FIRST ONE IS THE BASELINE, IN A SENSE.
3 IT SAYS THAT AMOUNTS ARE BASED ON THE COST -- THE CURRENT
4 COST ESTIMATES IN THE CLOSURE PLAN AND THE POSTCLOSURE
5 PLAN. EXCEPTIONS OF THE SUBSEQUENT SECTIONS, MOST
6 OPERATORS WILL HAVE TO DEMONSTRATE FR IN THE AMOUNT OF
7 THOSE COST ESTIMATES. ONE CAVEAT IS WITH RESPECT TO
8 POSTCLOSURE MAINTENANCE.

9 THERE IT IS THE CURRENT POSTCLOSURE COST
10 ESTIMATE, BUT DURING THE LAST 15 YEARS OF THE POSTCLOSURE
11 MAINTENANCE PERIOD, AN OPERATOR MAY PETITION THE BOARD TO
12 REDUCE THE REQUIRED AMOUNT OF COVERAGE TO THAT NECESSARY
13 TO COVER THE EXPENSES DURING THE REMAINING LIFE. FOR
14 EXAMPLE, ASSUME THERE'S A 30-YEAR PERIOD FOR A LANDFILL,
15 IT'S OPERATED FOR 15 YEARS. DURING THAT 15 YEARS, IT HAS
16 TO HAVE 15 YEARS OF COVERAGE. AFTER THE 16TH YEAR, IT
17 COULD PETITION THE BOARD TO HAVE ONLY 14 YEARS OF
18 COVERAGE. SO IT WOULD REDUCE ITS COST ESTIMATE. AFTER 17
19 YEARS, IT WOULD DROP DOWN TO 13 YEARS AND SO FORTH.

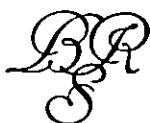
20 THOSE PROVISIONS TO ADJUST THE COST
21 ESTIMATE AREN'T IN THIS ARTICLE; RATHER, THEY'RE IN THE
22 PROVISIONS HAVING TO DO WITH THE POSTCLOSURE PLAN.

23 SECTION B ALLOWS A BUILDUP PERIOD. THE
24 BUILDUP WOULD APPLY TO BOTH ENTERPRISE FUNDS AND TRUST
25 FUNDS. THE FORMULA THERE IS SUCH THAT THE LANDFILL

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1 OPERATOR WILL GENERALLY HAVE TO FILL UP THE LANDFILL BY
2 THE TIME THAT 50 PERCENT OF THE CAPACITY THAT EXISTS AT
3 THE TIME THE RULES GO INTO EFFECT IS USED.

4 LET ME TAKE SOME TIME TO GO THROUGH SOME
5 EXAMPLES SO WE ALL UNDERSTAND HOW THIS FORMULA OPERATES.

6 FIRST, THERE'S THE KEY TERM "CR" AND "CT."
7 CT IS THE TOTAL PERMITTED CAPACITY. AS I MENTIONED
8 EARLIER, THAT'S THE CAPACITY AS OF THE EFFECTIVE DATE.
9 CR IS THE REMAINING PERMITTED CAPACITY AS OF THE
10 EFFECTIVE DATE, THAT'S THE SAME AS CT. BUT OVER TIME IT
11 WILL DECREASE AS THE LANDFILL'S SPACE IS USED UP.

12 WE THINK OF THE FORMULA ONE MINUS CR OVER
13 CT. REALLY, WHAT THAT GIVES US IS THE PERCENTAGE OF THE
14 LANDFILL THAT'S FILLED SINCE THE EFFECTIVE DATE SINCE CR
15 OVER CT WILL TELL US HOW MUCH REMAINS. IF WE TAKE THAT
16 FRACTION FROM ONE, IT WILL TELL US HOW MUCH HAS BEEN
17 USED. IF WE MULTIPLY IT BY TWO, THAT, IN EFFECT,
18 REQUIRES THE BUILDUP TO BE TWICE AS FAST AS THE LANDFILL
19 IS BEING USED.

20 LET'S TAKE AN EXAMPLE. ASSUME THERE'S A
21 NEW LANDFILL. IT'S GOT A HUNDRED UNITS OF PERMITTED
22 CAPACITY. AT THE TIME IT OPENS, CT, THE TOTAL CAPACITY,
23 IS EQUAL TO A HUNDRED AS IS THE REMAINING CAPACITY.
24 LET'S SAY IN THE FIRST YEAR OF OPERATION IT FILLS UP 10 .
25 UNITS. OKAY. NOW, CR IS EQUAL TO 90, CT IS EQUAL TO A

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1 HUNDRED. SO CR OVER CT IS EQUAL TO .9. ONE MINUS .9
2 GIVES US .1. WHICH SAYS THAT 10 PERCENT OF THE CAPACITY
3 HAS BEEN USED. IF WE MULTIPLY THAT BY TWO, WE'VE GOT 20
4 PERCENT. YOU MULTIPLY IT BY E, WHICH IS THE AMOUNT OF
5 COVERAGE THAT THEY'VE DEMONSTRATED, AND IT SAYS THAT THEY
6 HAVE -- THAT AT THE END OF THAT YEAR THEIR TRUST FUND HAS
7 TO CONTAIN 20 PERCENT OF THE AMOUNT OF COVERAGE THAT
8 THEY'RE PROVIDED. SO IF THEY USE 10 PERCENT OF THE
9 CAPACITY, THEN THEY HAVE TO BUILD UP THE TRUST OR
10 ENTERPRISE FUND TO 20 PERCENT.

11 LET'S SAY IN THE NEXT YEAR, THEY FILL IT UP
12 AT THIS RATE OF 20 UNITS. NOW, THE REMAINING CAPACITY IS
13 THE HUNDRED MINUS 10 MINUS 20 OR 70. SO CR OVER CT IS
14 NOW .3 THEY'VE USED -- IS NOW .7 -- 70 PERCENT REMAINS,
15 30 PERCENT HAS BEEN FILLED. SO BY THE END OF THE SECOND
16 YEAR, THEY HAVE TO HAVE 60 PERCENT OF THE TRUST FUND
17 BUILT UP. WHAT THE OPERATOR WOULD DO IS -- WOULD MAKE
18 THAT CALCULATION, GEE, IT HAS TO BE 60 PERCENT, AND THEN
19 WOULD SUBTRACT FROM THAT 60 PERCENT WHAT THE BALANCE
20 CURRENTLY IS AND HAVE TO PAY THAT DIFFERENCE INTO THE
21 TRUST FUND.

22 AN ADVANTAGE OF THIS FORMULA, WHICH IS
23 BASED ON THE RATE OF LANDFILL UTILIZATION, IS THAT IT
24 REFLECTS THE OPERATOR'S ABILITY TO PAY. OPERATORS CAN
25 SET ASIDE FUNDS AS THEY GENERATE REVENUE, AND THE REVENUE



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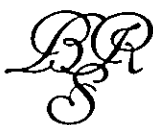
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1 COMES FROM AS THEIR FILL IS USED. UNLIKE AN ALTERNATIVE
2 LIKE EQUAL ANNUAL INCREMENTS, THIS MUCH BETTER REFLECTS
3 THE OPERATOR'S ABILITY TO PAY.

4 FINALLY, LET'S GO THROUGH A QUICK EXAMPLE
5 OF WHAT IF THE LANDFILL HAS ALREADY BEEN USED. SAY THERE
6 WAS -- IT STARTED OPERATION SEVERAL YEARS AGO. IT HAD
7 INITIALLY 100 UNITS, NOW IT HAS 50 REMAINING AS OF THE
8 EFFECTIVE DATE. IN THIS CASE, CT, THE TOTAL PERMITTED
9 CAPACITY, IS ONLY 50. THAT'S HOW MUCH REMAINS AS OF THE
10 EFFECTIVE DATE. ALSO, THE REMAINING AS OF THE STARTING
11 POINT IS ALSO 50.

12 LET'S SAY IN THE FIRST YEAR AFTER THE
13 EFFECTIVE DATE, THE OPERATOR FILLS IT UP 10 MORE UNITS.
14 SO NOW CR OVER CT WILL EQUAL 40 OVER 50 OR .8. ONE MINUS
15 .8 IS .2. THEY'VE USED UP 20 PERCENT OF THEIR REMAINING
16 CAPACITY IN THAT YEAR, SO THEY WOULD HAVE TO BUILD UP THE
17 TRUST FUND EQUAL TO 40 PERCENT OF THE OVERALL COST
18 ESTIMATES THAT THEY'RE PROVIDING COVERAGE FOR. THAT'S
19 WHAT SUBSECTION B DOES.

20 IN SUBSECTION C, IT SAYS WHAT HAPPENS. AN
21 OPERATORS STARTS OUT, THEY USE A LETTER OF CREDIT!
22 SEVERAL YEARS DOWN THE ROAD THEY WANT TO USE A TRUST FUND
23 OR ENTERPRISE. HOW MUCH PUT IN THE TRUST FUND TO START
24 WITH? THAT PROVISION SAYS THEY HAVE TO PUT IN AS MUCH AS
25 THEY WOULD HAVE IN IT, HAD THEY STARTED TO BUILD UP AS OF



1 THE EFFECTIVE DATE OF THE REGS. THEY CAN'T START OVER
2 WITH A TRUST FUND BALANCE OF ZERO. THEY HAVE TO
3 INITIALLY STICK A SUBSTANTIAL SUM OF MONEY INTO IT BASED
4 ON HOW THE FORMULA WOULD HAVE WORKED HAD THEY BEEN USING
5 THAT OPTION ALL ALONG.

6 FINALLY, SUBSECTION D COVERS THOSE
7 FACILITIES THAT ARE EXPECTED TO CLOSE IN THE NEXT FEW
8 YEARS. SPECIFICALLY BEFORE SEPTEMBER 28, 1992.

9 IN THAT CASE, IF THEY USE A TRUST FUND OR
10 ENTERPRISE FUND, THEIR SCHEDULE OF PAYMENTS WON'T BE
11 ACCORDING TO ANY FORMULA; RATHER, IT WILL BE NEGOTIATED
12 WITH THE BOARD. THEY'LL COME UP WITH AN AGREEMENT THAT
13 ESTABLISHES A SCHEDULE OF PAYMENTS THAT THE BOARD AND
14 LOCAL ENFORCEMENT AGENCIES APPROVE.

15 THE FORMULA FOR THAT SCHEDULE MUST BE SUCH
16 THAT BY THE DATE OF CLOSURE THEY HAVE TO HAVE THE FULL
17 AMOUNT OF COVERAGE DEMONSTRATED SO THAT THEY CAN PAY FOR
18 THE ASSURED COSTS.

19 IF THERE ARE NO QUESTIONS WITH THE AMOUNT
20 OF COVERAGE, WE CAN MOVE ON THE NEXT PAGE IN TERMS OF
21 WHICH MECHANISMS OR COMBINATIONS ARE ACCEPTABLE.

22 THE GENERAL STARTING POINT REFLECTED IN
23 SUBSECTION A IS THAT ALL MECHANISMS OR COMBINATIONS OF
24 MECHANISMS ARE ALLOWED. AND THEN IN THE REMAINING
25 PROVISIONS, THERE ARE EXCEPTIONS TO THAT GENERAL RULE.



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1 FOR EXAMPLE, ENTERPRISE FUNDS AND GOVERNMENT SECURITIES
2 CAN ONLY BE USED BY OPERATORS THAT ARE GOVERNMENT
3 AGENCIES. ANOTHER KEY EXAMPLE IS THAT THE FINANCIAL TEST
4 CANNOT BE COMBINED WITH A CORPORATE GUARANTEE IF THE
5 FINANCIAL STATEMENTS OF THE GUARANTOR AND THE OPERATOR
6 ARE CONSOLIDATED. TO ALLOW SUCH A COMBINATION WOULD BE
7 TO DOUBLE COUNT THE ASSETS OF THE OPERATOR, AND AS A
8 RESULT NOT GET THE STRINGENCY OF COVERAGE THAT'S DESIRED.

9 AND, FINALLY, SUBSECTION G SAYS THAT A
10 FINANCIAL TEST OR GUARANTEE CAN ONLY BE USED FOR
11 POSTCLOSURE, CANNOT BE USED FOR CLOSURE.

12 THE NEXT SERIES OF SECTIONS --

13 BOARD MEMBER BREMBERG: MR. CHAIRMAN.

14 CHAIRMAN GALLAGHER: MS. BREMBERG.

15 BOARD MEMBER BREMBERG: MR. BERG, WOULD YOU
16 EXPLAIN WHAT YOU JUST SAID ON G AGAIN TO ME, PLEASE? I
17 MEAN, IT'S QUITE CLEAR, BUT I DON'T UNDERSTAND WHY THE
18 DIFFERENTIATION.

19 MR. ORR: WHAT WE DID HERE IS AS PART OF THE
20 SUBCOMMITTEE ACTIVITY WAS -- ONE OF THE MAJOR POINTS THAT
21 WE'LL BE DISCUSSING A LITTLE BIT LATER HAS TO DO WITH
22 SEPARATING THE NATURE OF THE COSTS FOR CLOSURE VERSUS THE
23 NATURE OF THE ONGOING RESPONSIBILITY FOR MAINTAINING THE
24 LANDFILL. I THINK ONE OF THE MAJOR ACCOMPLISHMENTS OF
25 THE SUBCOMMITTEE WAS TO ENABLE US TO LOOK AT THOSE AS

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1 DIFFERENT TYPES OF ASSURANCES. THE CLOSURE COST BEING
2 PRIMARILY A CAPITAL COST. AND THE MAINTENANCE COST BEING
3 AN OPERATING-TYPE OF COST.

4 WE PUT IT THIS WAY TO BE CONSISTENT WITH
5 THE RECOMMENDATIONS OF THE SUBCOMMITTEE FOR THE PUBLIC
6 FINANCIAL MECHANISMS. WE CAN TALK ABOUT THAT A LITTLE
7 BIT FURTHER WHEN WE GET TO THOSE RECOMMENDATIONS.

8 BOARD MEMBER BREMBERG: FINE. THANK YOU.

9 BOARD MEMBER BEAUTROW: MR. CHAIRMAN.

10 CHAIRMAN GALLAGHER: YES, MR. BEAUTROW.

11 BOARD MEMBER BEAUTROW: IF YOU RECALL, SOME OF
12 THE PUBLIC AGENCIES THAT CAME BEFORE US TALKED ABOUT THE
13 POTENTIAL OF POOLING THE VARIOUS SITES THAT THEY OPERATE
14 SINCE THEY ALL -- RATHER THAN EACH STAND ALONE. WOULD
15 YOU INTERPRET HOW THAT WOULD APPLY? DOES THIS PROHIBIT
16 ANYBODY FROM DOING THAT? EACH SITE HAS TO STAND ALONE
17 AND HAVE ITS FUNDING SPECIFICALLY, OR CAN IT BE POOLED
18 FOR THE WHOLE AGENCY?

19 MR. ORR: I THINK WE'LL BE TALKING ABOUT THAT
20 MORE IN -- ALSO THE RECOMMENDATIONS OF THE SUBCOMMITTEE
21 WITH WHAT IS DESCRIBED AS A SYSTEMS CONCEPT. WHAT THIS
22 WOULD SAY IS THAT EACH INDIVIDUAL LANDFILL WOULD HAVE TO
23 DEDICATE A PORTION OF THEIR REVENUE FOR CLOSURE. THAT
24 POOLING WOULD OCCUR MORE IN TERMS OF THE ABILITY OF THAT
25 AGENCY TO MAINTAIN THE LANDFILL ON THE LONG TERM. SO

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1 THAT'S -- THAT --

2 BOARD MEMBER BEAUTROW: YOU'RE GOING TO DISCUSS
3 IT FURTHER THEN?

4 MR. ORR: YEAH. UH-HUH.

5 MR. BERG: IF YOU HAVE NO FURTHER QUESTIONS,
6 I'LL MOVE ON TO THE TRUST FUND.

7 THE TRUST FUND IS THE ONE MECHANISM THAT'S
8 SPECIFICALLY ALLOWED BY THE STATUTE. IN A TRUST FUND THE
9 OPERATOR WOULD TRANSFER OWNERSHIP OF FUNDS TO A TRUSTEE.
10 THE DRAFT REGULATIONS REQUIRE THAT THE TRUSTEE'S
11 OPERATIONS BE REGULATED AND EXAMINED BY A FEDERAL OR
12 STATE AGENCY. THAT MANDATORY QUALIFICATION PROVIDES SOME
13 ASSURANCE THAT THE TRUSTEE WILL MANAGE THE FUNDS
14 PROPERLY, IS NOT LIKELY TO BECOME BANKRUPT OR INSOLVENT.

15 THE WORDING OF THE TRUST FUND IS SPECIFIED
16 IN THE CALIFORNIA WASTE MANAGEMENT BOARD FORM 1000, WHICH
17 IS REPRODUCED LATER IN THE PACKAGE.

18 BY HAVING A REQUIRED FORM THAT ALL
19 OPERATORS USING THE TRUST FUND MUST USE WILL REDUCE THE
20 ADMINISTRATIVE EXPENSES TO OPERATORS, MAKE IT MUCH EASIER
21 FOR THEM TO FIGURE OUT, GEE, WHAT SORT OF MECHANISM DO I
22 HAVE TO USE. THEY WON'T HAVE TO HAVE THEIR ATTORNEYS GO
23 THROUGH AND DRAFT SOMETHING NEW. BY STANDARDIZATION, MAY
24 ALSO INCREASE THE AVAILABILITY FROM TRUSTEES. THEY CAN
25 GET SOME EXPERIENCE WITH THAT PARTICULAR LANGUAGE. AND,

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1 FINALLY, IT WILL ALSO SIGNIFICANTLY REDUCE THE
2 ADMINISTRATIVE COST TO THE BOARD AND ITS STAFF, NOT
3 REQUIRING DETAILED FINANCIAL AND LEGAL OPINIONS ON WHAT
4 THE EFFECTIVENESS AND LEGALITY OF WORDING THAT SPECIFIC
5 OPERATORS PROPOSE TO USE. IN ADDITION, IT ALSO PROVIDES
6 CERTAINTY THAT THE MECHANISM IS EFFECTIVE AND WILL
7 OPERATE EFFICIENTLY.

8 AS PROPOSED, THE WORDING OF THE MECHANISM
9 WOULD NOT BE IN THE REGULATIONS. RATHER, THE WORDING
10 WOULD BE INCORPORATED BY REFERENCE. THIS IS A PROCESS
11 THAT DHS USES. IT LISTS IN THE REGULATIONS THE FORM AND
12 MANDATES THAT OPERATORS USE THAT FORM. ONE OF THE
13 GENERAL IDEAS THERE IS IT BECOMES SOMEWHAT CUMBERSOME TO
14 STICK THAT REQUIRED LANGUAGE INTO THE REGULATIONS. IN
15 ADDITION, IN A SENSE, IT REQUIRES SOME DUPLICATION. THEY
16 WOULD BOTH HAVE TO BE THERE AS WELL AS ON FORMS.

17 THE NEXT MECHANISM IS THE ENTERPRISE FUND,
18 WHICH CAN BE USED ONLY FOR PUBLIC AGENCIES, PUBLIC
19 OPERATORS.

20 IN LOOKING THROUGH THE OTHER FINANCIAL
21 RESPONSIBILITY PROGRAMS, I DIDN'T FIND ANY GOOD EXAMPLES
22 OF AN ENTERPRISE FUND AS A MECHANISM. AS A RESULT, THE
23 LANGUAGE CRAFTED HERE IS NEW AND SHOULD BE SUBJECT AS TO
24 VERY DETAILED SCRUTINY.

25 THERE ARE TWO PARTS OF THE ENTERPRISE FUND.



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1 ONE IS SETTING UP THE FUND THAT GENERATES THE REVENUES
2 AND MAKING SURE THAT THOSE REVENUES ARE DEDICATED TO
3 PAYING FOR CLOSURE AND/OR POSTCLOSURE MAINTENANCE COSTS.

4 THE SECOND PART OF THE MECHANISM IS
5 REQUIRING THAT THOSE FUNDS BE DEPOSITED INTO A PARTICULAR
6 MECHANISM. IN SUBSECTION C IT DESCRIBES WHAT ARE
7 BASICALLY PERFORMANCE CRITERIA THAT THAT MECHANISM MUST
8 MEET. BY HAVING PERFORMANCE CRITERIA, IT GIVES THE
9 PUBLIC AGENCIES THE FLEXIBILITY TO DESIGN A SYSTEM THAT
10 MEETS THEIR NEEDS AS WELL AS THOSE OF THE BOARD.

11 THE FLIP SIDE OF THE FLEXIBILITY IS IT WILL
12 REQUIRE SOME ADDITIONAL ADMINISTRATIVE COSTS BY THE BOARD
13 AND TO SOME EXTENT BY LOCAL AGENCIES AS IT WILL BE ON A
14 CASE-BY-CASE BASIS THAT THE BOARD WILL NEED TO APPROVE
15 PARTICULAR MECHANISMS.

16 THERE ARE FIVE PRIMARY CRITERIA OR
17 PERFORMANCE STANDARDS THAT THIS MECHANISM MUST MEET.
18 FIRST, THE FUNDS SHALL REMAIN INVIOLEATE. THEY HAVE TO BE
19 SET ASIDE AND UNAVAILABLE FOR ANY USE OTHER THAN CLOSURE
20 OR POSTCLOSURE MAINTENANCE.

21 SECOND, IF FOR ANY REASON THE OPERATOR
22 DOESN'T COMPLY WITH ITS REQUIREMENTS TO PROPERLY CLOSE
23 AND CONDUCT POSTCLOSURE ACTIVITIES, THE BOARD COULD
24 DIRECT THAT THE FUNDS BE USED FOR THOSE ACTIVITIES.

25 THIRD, THERE IS A STANDARD FOR PROVIDERS,



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1 THE PERSON THAT HANDLES THE MECHANISMS, BE IT A TRUSTEE
2 OR OTHER TYPE OF ENTITY. EITHER THEY HAVE TO BE
3 REGULATED OR OTHERWISE CERTAIN TO MAINTAIN AND DISBURSE
4 THE ASSURED FUNDS PROPERLY.

5 THE FOURTH STANDARD IS THAT FUNDS BE
6 PROPERLY INVESTED.

7 AND FIFTH IS A CATCHALL THAT THE BOARD
8 COULD REQUIRE ADDITIONAL STANDARDS ON A CASE-BY-CASE
9 BASIS. IF IT DETERMINES THAT THEY'RE NECESSARY TO MAKE
10 CERTAIN THAT THE FUNDS ARE AVAILABLE IN A TIMELY MANNER.

11 THE NEXT SECTION HAS TO DO WITH GOVERNMENT
12 SECURITIES. RATHER THAN SPECIFYING ALL THE TYPES OF
13 GOVERNMENT SECURITIES THAT ARE ALLOWABLE, THIS
14 PROVISION -- THIS SECTION MERELY SAYS THAT MOST ANY
15 GOVERNMENT SECURITIES COULD WORK BECAUSE THE KEY ISSUE
16 ISN'T HOW THE MONEY IS RAISED, BUT RATHER MAKING SURE
17 THAT THE FUNDS, ONCE THEY ARE RAISED, ARE AVAILABLE TO
18 PAY FOR THE ASSURED COSTS.

19 AS A RESULT, SUBSECTION C -- SUBSECTION B,
20 EXCUSE ME. REFERS BACK TO THE PERFORMANCE CRITERIA OF AN
21 ENTERPRISE FUND AND SAYS THAT FUNDS GENERATED BY
22 GOVERNMENT SECURITIES MUST BE DEPOSITED INTO A MECHANISM
23 THAT MEETS THOSE STANDARDS.

24 THE NEXT MECHANISM IS THE LETTER OF CREDIT.
25 IT'S AVAILABLE TO BOTH PUBLIC AND PRIVATE OPERATORS. A



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1 LETTER OF CREDIT IS TO SOME EXTENT A GUARANTEE. IT SAYS
2 THE INSTITUTION THAT PROVIDES A GUARANTEE, WHICH IS
3 USUALLY A BANK, GUARANTEES THAT IF THE OPERATOR FAILS TO
4 PERFORM THE REQUIRED ACTIVITIES, THAT THE BANK WILL COME
5 UP WITH THE FUNDS TO DO SO. WHAT WOULD HAPPEN? AN
6 OPERATOR DOESN'T CONDUCT CLOSURE, IT DOESN'T HAVE THE
7 FUNDS, OR FOR ANY OTHER REASON DOESN'T PERFORM, THE BOARD
8 SO DETERMINES, THE BOARD WOULD TAKE THE LETTER OF CREDIT,
9 PRESENT IT TO THE BANK, AND HAVE THE BANK PUT THOSE FUNDS
10 INTO A DEPOSITORY TRUST FUND. THEN THE BOARD WOULD
11 DIRECT THOSE FUNDS TO BE SPENT FOR THE ACTIVITIES THAT
12 ARE ASSURED BUT THE OPERATOR IS FAILING TO PERFORM
13 PROPERLY.

14 LETTER OF -- INSTITUTION ISSUING THE LETTER
15 OF CREDIT HAS TO MEET SOME GENERAL STANDARDS. BASICALLY,
16 THEY HAVE TO BE REGULATED BY A STATE OR FEDERAL AGENCY SO
17 THAT THEY'RE CERTAIN TO OPERATE PROPERLY, AND THOSE FUNDS
18 WILL BE AVAILABLE WHEN NEEDED.

19 THE NEXT MECHANISM IS THE SURETY BOND ON
20 PAGE 10. IT'S ALSO ANOTHER FORM OF GUARANTEE. IT SAYS
21 IF THE OPERATOR FAILS TO PERFORM AS ASSURED, THAT THE
22 SURETY WILL EITHER PERFORM THE ACTIVITIES ON BEHALF OF
23 THE OPERATOR OR SET ASIDE FUNDS TO PAY FOR THOSE COSTS.

24 THERE ARE TWO TYPES OF SURETY BONDS, AND
25 THEY'RE BOTH ALLOWED BY THESE REGULATIONS. THE FIRST IS

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1 A PERFORMANCE BOND. UNDER THAT ARRANGEMENT, THE SURETY
2 COMPANY HAS THE OPTION OF EITHER PERFORMING THE ASSURED
3 ACTIVITIES OR SETTING ASIDE THE FUNDS. THE SECOND TYPE
4 OF SURETY BOND IS A PAYMENT BOND IN WHICH THE SURETY CAN
5 ONLY SET ASIDE THE FUNDS. BOTH OF THOSE ARE ALLOWED BY
6 THIS LANGUAGE. ALTHOUGH THERE ARE SEPARATE FORMS FOR EACH
7 TYPE OF MECHANISM.

8 THE NEXT MECHANISM, WHICH STARTS ON THE
9 SAME PAGE. IS THE FINANCIAL MEANS TEST. THE IDEA OF A
10 FINANCIAL MEANS TEST IS TO PREDICT THE ABILITY OF AN
11 OPERATOR TO PAY FOR ASSURED COSTS. IT'S DESIGNED SO THAT
12 IF, BY CHANCE, THE OPERATOR'S FINANCIAL CONDITIONS FAIL,
13 BY THE TIME THAT'S DETECTED -- WHICH THE OPERATOR HAS TO
14 SHOW THAT IT PASSES YEARLY -- BY THE TIME THAT'S
15 DETECTED, THE OPERATOR STILL SHOULD HAVE ENOUGH FUNDS
16 AVAILABLE TO ESTABLISH A TRUST FUND FOR THE ENTIRE AMOUNT
17 OF COVERAGE.

18 EPA DID CONSIDERABLE ANALYSIS WHEN IT
19 DEVELOPED THESE TERMS WHICH ARE CURRENTLY USED IN EPA'S
20 HAZARDOUS WASTE FINANCIAL RESPONSIBILITY RULES. HERE'S
21 HOW THE MECHANISM WOULD WORK. AN OPERATOR FIRST PASSES
22 THE TEST AND DOCUMENTS THAT. IT WOULD HAVE TO HAVE A
23 LETTER FROM ITS CHIEF FINANCIAL OPERATOR, WOULD HAVE TO
24 HAVE A CPA DO SOME INDEPENDENT ANALYSIS TO MAKE SURE THE
25 FINANCIAL STATEMENTS USED FOR THAT TEST ARE VALID AND



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1 ACCURATE. IN THE NEXT YEAR, AT THE END OF THAT COMPANY
2 OR AGENCY'S FISCAL YEAR, IT HAS TO CHECK AGAIN.

3 LET'S SAY IN THAT SECOND YEAR THE OPERATOR
4 CAN'T PASS THE TEST. WHAT HAPPENS THEN? THE OPERATOR
5 HAS UNTIL 120 DAYS AFTER THE CLOSE OF ITS FISCAL YEAR TO
6 DEMONSTRATE ALTERNATE COVERAGE.

7 WHO CAN USE THE FINANCIAL TEST? IT'S
8 DESIGNED PRIMARILY FOR PRIVATE AGENCIES. IN ADDITION, I
9 HAD ONE OF MY STAFF MEMBERS CHECK WITH EPA THIS MORNING
10 ABOUT WHAT EPA'S POLICY IS CONCERNING WHAT PUBLIC
11 AGENCIES CAN USE THE TEST. EPA'S OFFICIAL POLICY IS THAT
12 SOME PUBLIC AGENCIES, IF THEY CAN SATISFY ALL THE
13 REQUIREMENTS HERE, CAN USE THE TEST.

14 AS FAR AS I KNOW, THERE HAVE ONLY BEEN A
15 HANDFUL OF INCIDENTS WHERE EPA HAS SPECIFICALLY ALLOWED
16 PUBLIC AGENCIES TO USE THE TEST. STATE PROGRAMS HAVE
17 PROBABLY ALLOWED ADDITIONAL INSTANCES FOR THE TEST TO BE
18 USED BY PUBLIC AGENCIES.

19 BOARD MEMBER BREMBERG: MR. CHAIRMAN.

20 CHAIRMAN GALLAGHER: YES, MS. BREMBERG.

21 BOARD MEMBER BREMBERG: WOULD YOU GIVE ME AN
22 EXAMPLE OF WHERE YOU SAID EPA ALLOWED FINANCIAL MEANS
23 TEST ON A PUBLIC AGENCY AND WHAT ARE ACTUALLY THE
24 CRITERIA THAT THEY USE THAT A PUBLIC AGENCY COULDN'T MEET
25 ON THESE THINGS? AND IF A PUBLIC AGENCY MET THESE, WHY

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1 WOULD THEY SAY THEY COULDN'T USE THEM?

2 MR. BERG: I DON'T HAVE ANY -- AT THIS TIME I
3 DON'T HAVE ANY SPECIFIC INFORMATION ON WHAT AGENCIES AND
4 WHAT THEIR FINANCIAL STATEMENTS LOOKED LIKE.

5 BOARD MEMBER BREMBERG: I DIDN'T ASK YOU THAT.

6 YOU SAID THAT EPA ONLY ALLOWED A FEW PUBLIC
7 AGENCIES. CERTAINLY YOU KNOW WHICH ONES THEY ARE.

8 MR. BERG: I PERSONALLY DO NOT KNOW. IN GENERAL
9 THE FINANCIAL TERMS USED HERE ARE THINGS THAT DON'T APPLY
10 TO GOVERNMENT ACCOUNTING. THE CONCEPT OF NET INCOME
11 ISN'T ONE THAT'S USED FOR CITY OPERATIONS IN GENERAL.
12 THE NET WORTH --

13 BOARD MEMBER BREMBERG: BUT IT'S ALWAYS
14 AVAILABLE WHETHER THE FINANCIAL STATEMENTS AND THE
15 TERMINOLOGY IS USED, THERE ISN'T AN EXTANT IN THE UNITED
16 STATES THAT DOESN'T KNOW WHAT THEIR NET INCOME IS. THE
17 COLLECTION POINT MAY BE AN ENTIRELY DIFFERENT TITLE, BUT
18 I CAN GUARANTEE YOU THAT YOU KNOW HOW MUCH MONEY YOU GET
19 IN AND WHAT THE NET WORTH IS AND SO FORTH AND SO ON, NO
20 MATTER WHAT THE TERMS ARE.

21 MR. BERG: THERE'S INCOME THAT ANY GOVERNMENT
22 AGENCY KNOWS. TO CALL IT NET IS A LITTLE BIT DIFFERENT
23 OF AN ISSUE. THERE'S ALSO A -- PRIVATE COMPANY FOR THE
24 MOST PART CAN SELL ITS ASSETS IF IT NEEDS TO PAY FOR
25 COVERAGE. I WOULDN'T EXPECT A CITY OR COUNTY TO SELL ITS

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1 FIRE DEPARTMENT. THE SORTS OF SITUATIONS WHERE THE TEST
2 MAY WORK FOR A PUBLIC AGENCY ARE WHERE IT'S A SPECIFIC
3 ENTITY THAT'S SET UP TO OPERATE ALMOST ON A PROFIT BASIS.

4 BOARD MEMBER BREMBERG: WELL, A GREAT MANY
5 CITIES HAVE THOSE. THEY JUST CALL THEM DIFFERENT THINGS.

6 MR. BERG: RIGHT. IN SOME OF THESE --

7 BOARD MEMBER BREMBERG: THEY CALL THEM USER FEES
8 OR WHATEVER YOU WISH OR -- BUT TERMINOLOGY -- BUT A CITY
9 OR A COUNTY OR A STATE GOVERNMENT HAS VERY CLEARLY
10 DEFINED ASSETS. AND THE FEDERAL GOVERNMENT AT THE
11 PRESENT TIME IS BUSY SELLING OFF THINGS TO PAY CERTAIN
12 OBLIGATIONS OR TO RAISE REVENUE. SO I DON'T UNDERSTAND
13 WHY -- I'M NOT PICKING ON YOU, BUT YOU MADE THE STATEMENT
14 THAT EPA HAS INDICATED THAT ONLY A FEW PUBLIC AGENCIES
15 WERE ELIGIBLE UNDER THESE CRITERIA. I DON'T UNDERSTAND
16 WHY THEY SAY THAT, AND YOU MUST HAVE BEEN CURIOUS OR YOU
17 WOULDN'T HAVE CHECKED IT.

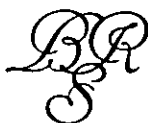
18 MR. BERG: TWO POINTS. ONE IS EPA. IT'S ITS
19 HAZARDOUS WASTE PROGRAM THAT WE'RE TALKING ABOUT. IN
20 THERE THERE ARE RELATIVELY FEW PUBLIC AGENCIES THAT RUN
21 HAZARDOUS WASTE FACILITIES, UNLIKE SOLID WASTE.

22 BOARD MEMBER BREMBERG: I UNDERSTAND. BUT WHY
23 APPLY THOSE PARTICULAR CRITERIA TO SOLID WASTE WHEN YOU
24 VERY CLEARLY DIFFERENTIATE BETWEEN THE TWO? IS A
25 FINANCIAL MEANS TEST THAT YOU LIST HERE USING THE

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1 HAZARDOUS WASTE CRITERIA. ARE THEY TRULY APPLICABLE TO
2 SOLID WASTE?

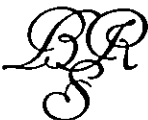
3 MR. BERG: YES, THEY ARE. THE DIFFERENCE IN THE
4 REGULATED COMMUNITIES IS SUCH THAT THERE MAY ONLY BE A
5 HUNDRED LOCAL GOVERNMENTS NATIONWIDE THAT HAVE HAZARDOUS
6 WASTE FACILITIES. IT'S A MUCH SMALLER POPULATION ANYWAY
7 THAN SOLID WASTE, SO THERE ARE FEWER INSTANCES WHERE
8 LOCAL GOVERNMENTS HAVE TRIED TO USE THE TEST.

9 IN GENERAL, YOUR CONCERN IS A VERY GOOD
10 ONE. THAT WE DO NEED TO GO AND GET SOME MORE DETAILS
11 ABOUT WHICH LOCAL GOVERNMENTS MIGHT BE ABLE TO USE THIS
12 TEST AND POSSIBLY INCORPORATE THOSE INTO THE TERMS OF THE
13 REGULATION.

14 BOARD MEMBER BREMBERG: THAT'S WHAT I'M GETTING
15 AT. THAT'S MY BOTTOM LINE IS THAT YOU'VE ARBITRARILY AND
16 CAPRICIOUSLY. IN MY OPINION, ELIMINATED ALL LOCAL
17 GOVERNMENTS BY THE STATEMENT THAT YOU MADE. I DON'T READ
18 IN HERE ANYPLACE WHERE YOU SAY THAT LOCAL -- AND I
19 INCLUDE COUNTY GOVERNMENT AND LOCAL GOVERNMENT -- SHOULD
20 BE ALLOWED TO OR SHOULD NOT BE ALLOWED TO, BY YOUR
21 CRITERIA ENUNCIATED, THAT IT'S VALID POINT TO BE USED.

22 MR. BERG: JUST ONE MORE RESPONSE. EPA
23 DEVELOPED THIS TEST BASED ON A CONSIDERABLE ANALYSIS. IT
24 ANALYZED WHAT CUTOFFS AND NET WORTH TELL US THE
25 LIKELIHOOD THAT A PRIVATE BUSINESS WILL GO BANKRUPT. IT

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1 FOUND THAT THE TANGIBLE NET WORTH OF 10 MILLION WAS A
2 GOOD DIVIDING POINT. FIRMS THAT HAS AT LEAST THAT IN
3 TANGIBLE NET WORTH WERE HALF AS LIKELY AS SMALLER FIRMS
4 TO GO BANKRUPT.

5 IT DID CONSIDERABLE OTHER ANALYSIS ON THE
6 DIFFERENT CRITERIA. ALL OF ITS ANALYSIS WAS FOCUSED ON
7 PRIVATE BUSINESSES. AS A RESULT, THERE IS RELATIVELY
8 LITTLE BACKGROUND TO SAY THAT THESE CRITERIA CAN REALLY
9 WORK AND ARE GOOD PREDICTORS OF ABILITY TO PAY FOR LOCAL
10 AGENCIES, UNLESS, BY CHANCE, THE AGENCIES ARE CONSTRUCTED
11 AND OPERATE AND HAVE THE SAME PRESSURES AND INCENTIVES AS
12 PRIVATE BUSINESSES.

13 WE'LL DISCUSS -- KAREN AND BILL WILL
14 DISCUSS LATER THE DEVELOPMENT OF A PUBLIC SECTOR TEST,
15 DESIGNED SPECIFICALLY FOR THE PUBLIC SECTOR, AND I THINK
16 THAT MAY TAKE CARE OF A LOT OF YOUR CONCERNS. THAT TEST,
17 ONCE DEVELOPED, WILL PROBABLY APPLY TO MUCH MORE THAN
18 WHAT I SEE ARE THE RELATIVELY HANDFUL OF SITUATIONS OR
19 OPERATORS THAT COULD USE THIS TEST DESIGNED FOR PRIVATE
20 ENTITIES.

21 CHAIRMAN GALLAGHER: MR. BROWN.

22 BOARD MEMBER BROWN: GINGER, YOU FOCUSED AN AREA
23 THAT WE SPENT SOME TIME ON, TOO, AND HAD YOUR SAME
24 CONCERNS. HOWEVER, IN ORDER TO HELP YOU UNDERSTAND A
25 LITTLE BIT, YOU'VE GOT TO UNDERSTAND, I THINK, THAT YOU

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1 AND I, AS BOARD MEMBERS, WILL SIT HERE IN JUDGMENT OF A
2 PUBLIC ENTITY THAT COMES BEFORE US AND SAYS, "WE HAVE
3 CLOSURE/POSTCLOSURE COSTS COVERED. AND HERE'S OUR
4 FINANCIAL MEANS TEST THAT WE PRESENT TO YOU." AND WE
5 WOULD HAVE DIFFICULTY DOING THAT, I THINK, BECAUSE, AS
6 YOU AND I BOTH KNOW AND HAS BEEN PRESENTED HERE, A PUBLIC
7 AGENCY DOESN'T REALLY HAVE NET ASSETS TO PLEDGE THAT A
8 PRIVATE INDUSTRY DOES. AND YOU AREN'T GOING TO CONVINCE
9 THIS BOARD THAT A PUBLIC AGENCY HAS THAT.

10 BOARD MEMBER BREMBERG: BUT A PUBLIC AGENCY IS
11 NEITHER GOING TO DECLARE BANKRUPTCY AND SNEAK AWAY INTO
12 THE NIGHT.

13 BOARD MEMBER BROWN: THAT'S NOT THE ISSUE HERE.
14 THIS IS JUST ONE OF VARIOUS MECHANISMS.

15 BOARD MEMBER BREMBERG: I UNDERSTAND THAT. BUT
16 WHAT I'M SAYING IS -- I GUESS WHAT I'M SAYING IS WE'VE
17 GOT TO SEPARATE IT AND MAKE -- BECAUSE THEY DON'T FALL
18 INTO THE SAME CATEGORY. PRIVATE INDUSTRY DOES ONE THING.
19 THEY COLLECT GARBAGE AND DISPOSE OF IT. PUBLIC AGENCIES
20 PROVIDE POLICE PROTECTION, SIDEWALKS, STREETS, PLANTS,
21 FIRE PROTECTION, SOCIAL SERVICES, THE WHOLE BALL OF WAX,
22 SO THE FIELD IS NOT EVEN. THEY'VE GOT TO BE SEPARATED.

23 BOARD MEMBER BROWN: UNDER THE CATEGORY OF
24 FINANCIAL MEANS TESTS, AS ONE OF THE MECHANISMS TO
25 PROVIDE FINANCIAL ASSURETY. I DON'T THINK A PUBLIC AGENCY



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1 CAN QUALIFY UNDER THE FINANCIAL MEANS TEST THAT EXISTS
2 TODAY. WE MAY DISCUSS SOMETHING IN A LITTLE WHILE HERE.
3 PUBLIC AGENCIES HAVE SOME OTHER MECHANISMS THAT PRIVATE
4 INDUSTRIES DON'T HAVE, AND I THINK THAT'S WHERE QUID PRO
5 QUO IS GOING TO COME.

6 CHAIRMAN GALLAGHER: SATISFIED TO MOVE ON?

7 MR. BERG: THE NEXT SECTION IS RESERVE. THAT'S
8 A SECTION WHERE THE BOARD WILL PROBABLY PUT SOME SPECIFIC
9 MECHANISMS FOR PUBLIC AGENCIES, POSSIBLY INCLUDING PUBLIC
10 SECTOR FINANCIAL MEANS TEST.

11 THE FOLLOWING SECTION IS A GUARANTEE. THE
12 FIRST ISSUE IS WHO CAN ISSUE A GUARANTEE. WELL, I'VE
13 TAKEN TERMS FROM EPA'S RULES THAT ALLOW GUARANTEES BY
14 THREE TYPES OF ENTITIES.

15 FIRST IS THE CORPORATE PARENT OR
16 GRANDPARENT OF AN OPERATOR.

17 THE SECOND WOULD BE WHAT CAN BE CALLED
18 CORPORATE SIBLINGS. TWO FIRMS THAT, SAME CORPORATE
19 PARENT, COULD OFFER GUARANTEES ON BEHALF OF EACH OTHER.

20 THE THIRD CATEGORY ARE FIRMS ENGAGED IN THE
21 SUBSTANTIAL BUSINESS RELATIONSHIP WITH THE OPERATOR.
22 THEY'D ISSUE THE GUARANTEE INCIDENT TO THAT BUSINESS
23 RELATIONSHIP. IF A PUBLIC SECTOR FINANCIAL MEANS TEST IS
24 DEVELOPED, IT WOULD BE APPROPRIATE, I THINK, TO EXPAND
25 THESE QUALIFICATIONS TO ALLOW A PUBLIC SECTOR TO ISSUE A

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1 GUARANTEE.

2 THERE MAY BE VERY GOOD REASONS WHY A CITY
3 OR COUNTY WOULD WANT TO ISSUE A GUARANTEE ON BEHALF OF
4 THE OPERATOR, AND THAT WORK JUST FINE WITHIN THE
5 FRAMEWORK OF A GUARANTEE.

6 THE NEXT ISSUE IS THAT -- HOW ARE WE
7 CERTAIN THAT ELIGIBLE PARTIES WILL MAKE GOOD ON THEIR
8 OBLIGATIONS. IT'S DONE BY REQUIRING THE GUARANTOR TO
9 PASS THE FINANCIAL MEANS TEST. THE PRIVATE AGENCY FIRM
10 WOULD HAVE TO PASS THE PRIVATE FIRM TEST, A PUBLIC AGENCY
11 THE PUBLIC TEST. HOW WOULD THIS MECHANISM WORK?

12 IF THE OPERATOR FAILED TO PERFORM CLOSURE
13 OR POSTCLOSURE MAINTENANCE, THEN THE GUARANTOR WOULD
14 EITHER PERFORM ON BEHALF OF THE OPERATOR OR ESTABLISH A
15 TRUST FUND ON BEHALF OF THE OPERATOR. AS A RESULT, THERE
16 WOULD BE CERTAINTY THAT FUNDS WOULD BE AVAILABLE.

17 IF A GUARANTOR IN ONE YEAR PASSES THE TEST
18 AND THE NEXT FAILS, THE OPERATOR WOULD BE REQUIRED TO GET
19 ALTERNATE COVERAGE. IF THE OPERATOR DOESN'T DO THAT IN A
20 TIMELY FASHION, THEN THE BOARD COULD REQUIRE THE
21 GUARANTOR TO MAKE GOOD ON ITS OBLIGATION TO PERFORM OR
22 PAY. THE GUARANTEE KIND OF COMPLETES THE SECTIONS THAT
23 DESCRIBE ALLOWABLE MECHANISMS.

24 NOW, WE CAN MOVE ON TO SOME OF THE MORE
25 OPERATIONAL DETAILS OF THE PROGRAM.



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1 THE FIRST ONE IS THE SECTION ON
2 SUBSTITUTION BY OPERATORS. THE GOAL OF THIS SECTION IS
3 TO ENSURE THAT THERE IS CONTINUOUSLY EFFECTIVE COVERAGE
4 IN PLACE. WHAT THIS SECTION ACCOMPLISHES, IT SAYS THAT
5 THE OPERATOR CANNOT CANCEL EXISTING COVERAGE UNTIL IT
6 SHOWS THE BOARD THAT IT'S GOT COVERAGE TO TAKE ITS PLACE.
7 IT'S RELATIVELY STRAIGHTFORWARD.

8 THE NEXT SECTION HAS TO DO NOT WHEN THE
9 OPERATOR WANTS TO CANCEL COVERAGE, BUT RATHER WHEN THE
10 PROVIDER WANTS TO CANCEL THE COVERAGE. FOR EXAMPLE, A
11 BANK MAY BELIEVE THAT AN OPERATOR NO LONGER PRESENTS A
12 GOOD RISK. THEIR FINANCIAL CONDITION HAS DETERIORATED.
13 THE BANK WANTS TO GET OUT OF ITS OBLIGATION.

14 THIS SECTION ALSO HAS THE SAME OBJECTIVE AS
15 THE PREVIOUS ONE. THE GOAL HERE IS TO ENSURE CONTINUOUS
16 EFFECTIVE COVERAGE. SAY THE BANK TRIED TO CANCEL. THE
17 FIRST STEP IT HAS TO GO THROUGH IS TO PROVIDE NOTICE,
18 BOTH TO THE OPERATOR AS WELL AS TO THE BOARD AND LOCAL
19 ENFORCEMENT AGENCIES. ONCE THAT NOTICE HAS BEEN
20 RECEIVED, THE MECHANISM CAN BE CANCELED WITHIN 120 DAYS
21 OR MORE.

22 DURING THE FIRST 60 DAYS OF THAT PERIOD,
23 THE OPERATOR HAS TO DEMONSTRATE ALTERNATE COVERAGE. THE
24 LETTER OF CREDIT IS GOING TO BE CANCELED; THE OPERATOR
25 HAS TO GET SOME OTHER COVERAGE. IF, AFTER THAT THAT 60

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1 DAYS. THE OPERATOR FAILS TO DO THAT, IT HAS TO NOTIFY THE
2 BOARD OF SUCH FAILURE, AND THEN THE BOARD CAN TAKE
3 ACTION; FOR EXAMPLE, BY REQUIRING THE BANK THAT ISSUED
4 THE LETTER OF CREDIT TO SET ASIDE THOSE FUNDS OR IT COULD
5 DRAW ON THAT MECHANISM.

6 THE NEXT SECTION HAS TO DO WITH BANKRUPTCY.
7 BANKRUPTCY OF WHOM? WELL, THE FIRST IS BANKRUPTCY OF THE
8 OPERATOR. THE BOARD NEEDS TO KNOW IF AN OPERATOR GOES
9 BANKRUPT. THAT OPERATOR IS LESS LIKELY TO PROPERLY CARE
10 FOR THE FACILITY. ALSO, THERE MAY BE CONCERNS ABOUT
11 WHETHER FINANCIAL RESPONSIBILITY COVERAGE REMAINS
12 EFFECTIVE. SO QUICKLY, WITHIN 10 DAYS, AFTER THE
13 OPERATOR IS INVOLVED IN ANY BANKRUPTCY ACTION, IT HAS TO
14 NOTIFY THE BOARD AND LOCAL ENFORCEMENT AGENCY.

15 THE SECOND ISSUE IS WHAT IF, BY CHANCE, THE
16 PROVIDER OF COVERAGE ALSO GOES BANKRUPT? THE REGULATIONS
17 ARE DESIGNED SO THAT IS VERY UNLIKELY TO OCCUR. THE
18 GUARANTOR HAS TO MEET A FINANCIAL TEST, AND A FINANCIAL
19 TEST SAYS THAT GUARANTOR ISN'T GOING TO GO BANKRUPT WHEN
20 IT IS OFFERING THAT COVERAGE, BUT THERE'S STILL THE
21 UNLIKELY POSSIBILITY. WELL, TO PROTECT AGAINST THAT, IF
22 THE PROVIDER GOES BANKRUPT, IT HAS TO NOTIFY THE OPERATOR
23 AS WELL AS THE BOARD AND LOCAL ENFORCEMENT AGENCY.

24 THE THIRD SORT OF REQUIREMENT HAS TO DO
25 WITH WHAT HAPPENS IF THE PROVIDER GOES BANKRUPT OR IF THE

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1 PROVIDER'S AUTHORITY TO ISSUE THE MECHANISM IS SOMEHOW NO
2 LONGER VALID. IT'S A BANK THAT BECOMES INSOLVENT. IT'S
3 A SURETY COMPANY THAT'S NO LONGER LISTED ON CIRCULAR 570,
4 WHICH IS ONE OF THE QUALIFICATIONS FOR SURETY. IN THAT
5 CASE, THEN, THE OPERATOR, ONCE IT HAS NOTICE OF THE
6 SITUATION, HAS 60 DAYS TO COME UP WITH ALTERNATE
7 COVERAGE, AND IF IT DOESN'T DEMONSTRATE THAT COVERAGE,
8 HAS TO NOTIFY THE BOARD.

9 THE NEXT SECTION, THE DEPOSITORY TRUST FUND
10 PRIMARILY APPLIES JUST TO THE LETTER OF CREDIT AND SURETY
11 BOND. THE OBJECTIVE HERE IS THAT WHEN PROVIDERS HAVE TO
12 SET ASIDE FUNDS UNDER THOSE MECHANISMS, THAT THE BOARD
13 ITSELF CAN'T RECEIVE THE FUNDS. IT WOULD HAVE TO GO TO
14 THE GENERAL TREASURY OF THE STATE. INSTEAD, THEY'RE
15 DEPOSITED INTO THIS SEPARATE MECHANISM.

16 NOW, IN THE PAST WE'VE TALKED ABOUT STANDBY
17 TRUST FUNDS. THERE'S A DIFFERENCE BETWEEN A STANDBY AND
18 DEPOSITORY. THE STANDBY TRUST FUND HAS TO BE SET UP WHEN
19 THE MECHANISM THAT IT SUPPORTS IS ESTABLISHED. FOR
20 EXAMPLE, UNDER EPA'S RULES, IF YOU SET UP A LETTER OF
21 CREDIT, AT THE SAME TIME YOU HAVE TO SET UP A STANDBY
22 TRUST FUND. AND THEN THERE'S CERTAINTY THAT WHEN THE
23 MECHANISM IS DRAWN ON, THE LETTER OF CREDIT IS DRAWN ON,
24 THAT THE FUNDS CAN BE DEPOSITED SOMEWHERE. SO THAT TO
25 SOME EXTENT MAY BE A COSTLY ARRANGEMENT BECAUSE OF THE

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1 NEED TO ESTABLISH THE MECHANISM THAT MAY NEVER BE USED
2 AND CONTINUE IT IN EFFECT OVER TIME.

3 INSTEAD, AT THE STAFF'S DIRECTION, WE
4 DEVELOPED A DIFFERENT, LESS EXPENSIVE OPTION THAT SHOULD
5 BE JUST AS EFFECTIVE: AND, THAT IS, WHEN THE TRUST FUND
6 IS NEEDED, THEN IT'S ESTABLISHED.

7 WHO HAS RESPONSIBILITY TO ESTABLISH IT?
8 WELL, IT'S FIRST THE OPERATOR'S RESPONSIBILITY. THE
9 BOARD HAS FOUND THE OPERATOR ISN'T CONDUCTING CLOSURE
10 PROPERLY. FOR EXAMPLE, IT'S GOT A LETTER OF CREDIT. THE
11 BOARD WANTS TO DRAW ON IT. FIRST, THE BOARD SAYS TO THE
12 OPERATOR, "NOW IS THE TIME TO SET UP THE STANDBY
13 DEPOSITORY TRUST FUND, A MECHANISM THAT THE BANK CAN
14 DEPOSIT FUNDS INTO."

15 IF, BY CHANCE, THE OPERATOR FAILS TO, WHICH
16 COULD HAPPEN. THE OPERATOR COULD BE RECALCITRANT. IT
17 MIGHT NOT HAVE ANY FUNDS AVAILABLE TO DO SO. IN THAT
18 SITUATION, THE BOARD COULD REQUIRE THE BANK TO ACTUALLY
19 SET UP THE DEPOSITORY TRUST FUND BECAUSE THE
20 RESPONSIBILITY ALSO GOES TO THE BANK, THE BOARD'S CERTAIN
21 THAT THAT MECHANISM WILL BE SET UP.

22 THE FORM THAT WOULD BE USED FOR THE
23 MECHANISM IS BASICALLY THE FORM THAT'S USED FOR THE
24 REGULAR TRUST FUND MECHANISM.

25 IT'S COMMON IN OTHER PROGRAMS THAT THE SAME



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1 WORDING OF THE MECHANISM CAN BE USED FOR BOTH FUNCTIONS
2 BECAUSE ONCE THE FUNDS ARE DRAWN AND PUT INTO THE TRUST
3 FUND. IT BASICALLY OPERATES IN THE SAME MANNER WITH THE
4 SAME PURPOSE.

5 THE NEXT SECTION ON PAGE 16, THE
6 RECORDKEEPING AND REPORTING REQUIREMENTS. THE GENERAL
7 IDEA HERE IS THE BOARD HAS TO STAY INFORMED OF CERTAIN
8 ACTIVITIES AND BE ABLE TO OBTAIN CERTAIN RECORDS. THESE
9 RECORDS ARE OF ESSENTIAL IMPORTANCE IN THE CASE OF
10 FINANCIAL RESPONSIBILITY. THE BOARD DOESN'T HAVE THAT
11 PIECE OF PAPER THAT'S THE LETTER OF CREDIT. IT MAY BE
12 UNABLE TO DRAW ON IT. IT NEEDS THAT SPECIFIC WORDING
13 WITH THE LETTER OF CREDIT NUMBER IDENTIFIED. BECAUSE OF
14 THAT IMPORTANCE, THE OPERATOR HAS TO MAINTAIN THE RECORDS
15 AT THE FACILITY.

16 IN ADDITION, AT CERTAIN CRITICAL TIMES, THE
17 OPERATOR HAS TO PROVIDE THAT INFORMATION TO THE BOARD.
18 FOR EXAMPLE, WHEN THE MECHANISM'S FIRST SET UP, WHEN IT'S
19 AMENDED, OR AT OTHER TIMES WHEN THE BOARD MIGHT BE
20 REQUIRED TO DRAW ON IT, LIKE WHEN THE OPERATOR IS TRYING
21 TO CHANGE, WHEN THE PROVIDER IS TRYING TO CANCEL
22 COVERAGE, AND THE OPERATOR DOESN'T DEMONSTRATE ALTERNATE
23 COVERAGE, THEN THE BOARD, THROUGH THESE SECTIONS, IS
24 REQUIRING THE OPERATOR TO PROVIDE THAT INFORMATION SO THE
25 BOARD CAN DRAW ON THE MECHANISM.

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1 YOU NOTICE THAT SECTION IS SOMEWHAT LONG.
2 THAT IS BECAUSE, TO SOME EXTENT, THE DIFFERENT PIECES OF
3 INFORMATION THAT MUST BE MAINTAINED AND RECORDED BY THE
4 OPERATOR DEPEND ON THE SPECIFIC MECHANISM. FOR EXAMPLE,
5 AN OPERATOR THAT USES A TRUST FUND AND GRADUALLY BUILDS
6 IT UP OVER TIME NEEDS DOCUMENTATION OF THE PERMITTED
7 CAPACITY THAT REMAINS AS WELL AS THE TOTAL PERMITTED
8 CAPACITY AND NEEDS TO MAINTAIN THAT AT THE FACILITY AS
9 WELL AS PROVIDE IT TO THE BOARD AT CRITICAL TIMES.

10 AND, FINALLY, THE LAST OF 18 SECTIONS.
11 WHEN -- HOW LONG DOES THE OBLIGATION TO PROVIDE COVERAGE
12 LAST? WHEN IS AN OPERATOR RELEASED FROM THE
13 REQUIREMENTS? FIRST, FOR CLOSURE, AN OPERATOR WOULD BE
14 RELEASED AFTER THE BOARD HAS RECEIVED AND APPROVED A
15 CERTIFICATION OF CLOSURE. IN THE CASE OF THE
16 POSTCLOSURE, IT'S A SIMILAR SORT OF PROCEDURE. THE BOARD
17 HAS TO NOTIFY THE OPERATOR IN WRITING THAT IT'S NO LONGER
18 REQUIRED TO DEMONSTRATE SUCH FINANCIAL RESPONSIBILITY.

19 ANOTHER PROVISION IS WHAT HAPPENS IN THE
20 EVENT THAT THE OPERATOR CHANGES? THE GOAL THERE IS TO
21 MAKE SURE COVERAGE IS CONTINUOUSLY EFFECTIVE, AND THAT'S
22 DONE BY MAKING THE PREVIOUS OPERATOR RESPONSIBLE TO
23 PROVIDE COVERAGE UNTIL THE NEW OPERATOR HAS A PERMIT. AS
24 PART OF THAT PERMIT, THE NEW OPERATOR WOULD HAVE BEEN
25 REQUIRED TO DEMONSTRATE FINANCIAL RESPONSIBILITY.

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1 THE REMAINING PAGES FROM PAGE 20 THROUGH 41
2 ESTABLISH THE LANGUAGE OF THE PARTICULAR MECHANISMS. HOW
3 THESE WOULD WORK IS -- SAY AN OPERATOR WANTS TO USE A
4 TRUST FUND, IT COULD INDICATE SUCH A DESIRE TO THE BOARD.
5 THE BOARD WOULD SEND THE OPERATOR FORMS. THE OPERATOR
6 WOULD FILL OUT AND HAVE ALL THE FORMS SIGNED AND THEN
7 SUBMIT THEM BACK TO THE BOARD TO DEMONSTRATE COMPLIANCE
8 WITH THE RULES.

9 I THINK, AS I MENTIONED BEFORE, THERE ARE
10 SUBSTANTIAL ADVANTAGES WITH HAVING REQUIRED WORDING AND
11 FORMS. IN A FEW CASES, FOR EXAMPLE, THE LETTER OF
12 CREDIT. IT WOULDN'T ACTUALLY BE WRITTEN ON THE FORM THAT
13 THE BOARD PROVIDES; RATHER, THE LANGUAGE MUST BE
14 IDENTICAL TO IT, BUT IT WOULD BE ON BASICALLY THE
15 LETTERHEAD OF THE BANK, BUT THE REQUIRED WORDING IS STILL
16 MANDATORY, AND AS A RESULT, THE CERTAINTY THAT THE FUNDS
17 WILL BE AVAILABLE IS MAINTAINED.

18 YOU WILL NOTICE ONE PROVISION WITH RESPECT
19 TO THE GUARANTEE AND FINANCIAL TEST. IN THOSE INSTANCES
20 IT'S WORDED TO APPLY TO BOTH CLOSURE AND POSTCLOSURE
21 MAINTENANCE. I DIDN'T HAVE TIME TO GO BACK AND ELIMINATE
22 THE REQUIREMENTS TO THE ABILITY TO USE THOSE MECHANISMS
23 JUST FOR POSTCLOSURE MAINTENANCE.

24 UNLESS -- THAT'S THE END OF MY PRESENTATION
25 UNLESS THERE ARE ANY QUESTIONS. I'LL BE GLAD TO ANSWER

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1 QUESTIONS LATER IN THE DISCUSSION AS WELL. THANK YOU.

2 CHAIRMAN GALLAGHER: ANY QUESTIONS OF BOARD
3 MEMBERS?

4 MR. ORR: AS A SUPPLEMENT TO THE MECHANISMS THAT
5 MIKE BERG JUST DESCRIBED, THE SUBCOMMITTEE IDENTIFIED A
6 NUMBER OF ISSUES THAT WERE IMPORTANT FOR PUBLIC AGENCIES.
7 AND I THINK THAT THIS IS AN OUTGROWTH OF THE GENERAL
8 DESIRE. AS WE'VE BEEN DEVELOPING THESE REGULATIONS, TO
9 ADDRESS THE COMMON NEEDS OF THE PUBLIC AND PRIVATE
10 OPERATORS. AND SOME OF THE RESPECTIVE NEEDS HAVE COME
11 THROUGH, AS MIKE HAS DESCRIBED THE VARIOUS MECHANISMS
12 THAT HAVE BEEN PREVIOUSLY USED OR THAT WE'VE BEEN ABLE TO
13 DEVELOP SO FAR.

14 BUT IN ADDITION TO THAT, THERE ARE A NUMBER
15 OF UNIQUE NEEDS. BOTH FOR THE PUBLIC OPERATORS STRENGTHS
16 IN THE WAY THAT PUBLIC AND PRIVATE OPERATORS ARE
17 STRUCTURED. THE FOCUS OF THE SUBCOMMITTEE WAS ON THE
18 NEEDS OF THE PUBLIC SECTOR AND WHAT TYPES OF MECHANISMS
19 MIGHT ENABLE THEM TO PROVIDE THE LEVEL OF FINANCIAL
20 ASSURANCE THAT IS REQUIRED.

21 AND SO WITH THAT IN MIND, THERE WERE FOUR
22 OR FIVE DIFFERENT AREAS THAT THE SUBCOMMITTEE LOOKED AT
23 IN DETAIL. AND THOSE SPECIFIC AREAS ARE THE SEPARATION OF
24 THE CLOSURE AND POSTCLOSURE MAINTENANCE COSTS AND HAVING
25 THE MECHANISMS THAT MAY BE APPROPRIATE FOR ONE OR THE



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1 OTHER OF THOSE.

2 THE SECOND WAS A DESCRIPTION OF THE SYSTEMS
3 CONCEPT. ANOTHER IS THE NEED FOR A PUBLIC FINANCIAL
4 MEANS TEST, AND I THINK WE'LL BE GOING INTO THAT IN MORE
5 DETAIL. ANOTHER CONCEPT THAT WAS DISCUSSED BY THE
6 SUBCOMMITTEE WAS A PLEDGE OF FUTURE REVENUES THAT MAY BE
7 EXPECTED BY A PUBLIC AGENCY.

8 FINALLY, THE LAST AREA THAT WAS DISCUSSED
9 WAS A CONCEPT CALLED A CONTRACT OF OBLIGATION, WHICH WE
10 HAVE MENTIONED IN PRIOR DISCUSSIONS BACK UNTIL LAST
11 SUMMER WHEN WE WERE INITIALLY DEVELOPING THE
12 CERTIFICATION GUIDELINES FOR THE INTERIM FINANCIAL
13 ASSURANCES. AND SO WE'VE HAD SOME FURTHER DISCUSSIONS OF
14 THAT.

15 WHAT I'D LIKE TO DO IS TURN THE MICROPHONE
16 OVER TO KAREN, WHO WILL TALK SPECIFICALLY ABOUT THE
17 RECOMMENDATIONS OF THE SUBCOMMITTEE IN EACH OF THESE
18 AREAS.

19 MS. TRGOVCICH: ON EACH OF YOUR DESKS YOU SHOULD
20 HAVE A COPY OF THE DRAFT RECOMMENDATIONS OF THE AD HOC
21 COMMITTEE ON FINANCIAL MECHANISMS. I'D JUST LIKE TO
22 STATE FOR YOU THE MAKEUP OF THAT COMMITTEE SO YOU WILL
23 KNOW WHO WAS IN ATTENDANCE AT THE MEETING.

24 BOARD MEMBER REPRESENTATION WAS MR. SKEET
25 VARNER AND MR. LES BROWN. FROM THE STAFF WERE MR. BILL

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1 ORR AND MYSELF. OUR CONTRACTOR WAS PRESENT ON THE
2 SUBCOMMITTEE, MR. MIKE BERG FROM ICF INCORPORATED. IN
3 ADDITION, WERE MR. JACK MICHAELS, MR. FRANK BOWERMAN,
4 MISS ANN ZIMMERMAN, STOCKTON -- OR SAN JOAQUIN COUNTY WAS
5 REPRESENTED. TOM ABERNATHY AND JOHN ABERNATHY AND TOM
6 HORTON CAME TO OUR MEETING YESTERDAY AS WELL.

7 THE RECOMMENDATIONS OF THE SUBCOMMITTEE ARE
8 INCLUDED IN WHAT IS BEFORE YOU ON THE TABLE. THE FIRST
9 ONE I'D LIKE TO GO OVER IS THE SEPARATION OF CLOSURE AND
10 POSTCLOSURE MAINTENANCE COSTS. ONE OF THE BASIC IDEAS
11 THAT THIS SUBCOMMITTEE HAD WAS THAT THE FINANCIAL
12 MECHANISMS THAT WOULD BE ASSOCIATED WITH CLOSURE COSTS
13 COULD, IN FACT, BE SEPARATED FROM THE REQUIREMENT FOR
14 COVERAGE OF POSTCLOSURE MAINTENANCE COSTS.

15 SPECIFICALLY, CLOSURE COSTS WOULD ENTAIL A
16 ONE TIME CAPITAL EXPENSE; WHEREAS, POSTCLOSURE
17 MAINTENANCE COSTS WOULD, IN FACT, BE A LONG-TERM
18 OPERATING EXPENSE. AND SO, THEREFORE, THE SUBCOMMITTEE
19 RECOMMENDS TO SEPARATE THOSE COSTS AND ALLOW AN OPERATOR
20 TO PROVIDE FOR EACH OF THOSE COSTS SEPARATELY.

21 AND WE WILL IN ALL OF THE FOLLOWING -- ALL
22 OF THE FOLLOWING RECOMMENDATIONS PERTAIN TO THE
23 POSTCLOSURE MAINTENANCE COSTS BECAUSE THE SUBCOMMITTEE,
24 RECOGNIZING THAT CLOSURE COSTS WERE A ONE-TIME CAPITAL
25 EXPENSE, AGREE THAT THERE NEEDS TO CONTINUE TO BE A



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1 DEDICATION OF FUNDS FOR CLOSURE OR A RECEIPT OF A LETTER
2 OF CREDIT OR SURETY BOND THAT GUARANTEES FULL FUNDING OF
3 THE CLOSURE COSTS.

4 HOWEVER, FOR POSTCLOSURE MAINTENANCE, THE
5 SUBCOMMITTEE RECOMMENDS THE BOARD EVALUATE THE FOLLOWING
6 CONCEPTS. THE FIRST IS ONE WHAT IS CALLED THE SYSTEMS
7 CONCEPT, AND IT HAS WHAT HAS BEEN ALLUDED TO EARLIER.

8 IN THIS INSTANCE, A PUBLIC OPERATOR WOULD
9 BE ABLE TO UTILIZE REVENUES WHICH ARE GENERATED FROM
10 OTHER ACTIVITIES THAT THE SOLID WASTE AGENCY MAY CONDUCT,
11 THAT THE PUBLIC OPERATOR CAN DEMONSTRATE THE ABILITY TO
12 COLLECT USER FEES, OR THAT THE PUBLIC OPERATOR CAN
13 DEMONSTRATE THAT IT HAS THE ABILITY TO AUTHORIZE
14 ADDITIONAL TAX INCREASES TO PAY FOR POSTCLOSURE
15 MAINTENANCE COSTS OUT OF THEIR OPERATING REVENUES.

16 UNDER THIS CONCEPT THERE IS A RECOGNITION
17 THAT A PUBLIC OPERATOR IS REQUIRED TO PERPETUALLY PROVIDE
18 SANITARY SERVICES IN ITS OWN GIVEN AREA. AND, THEREFORE,
19 THE PUBLIC OPERATOR WILL ALWAYS BE IN BUSINESS REGARDLESS
20 AS TO WHETHER OR NOT A PUBLIC OR A PUBLIC ENTITY MAY
21 CONTRACT OUT THOSE SERVICES TO A PRIVATE FIRM OR PERFORM
22 THE SERVICES ITSELF. IT WILL CONTINUALLY BE IN THE
23 BUSINESS OF PROVIDING SANITARY SERVICES; AND, THEREFORE,
24 THE SUBCOMMITTEE RECOGNIZES THIS AND RECOMMENDS THAT THE
25 SYSTEMS CONCEPT BE INCLUDED WHICH WOULD ALLOW AN

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1 OPERATOR, PUBLIC OPERATOR, WITH THOSE CAPABILITIES TO
2 UTILIZE REVENUES THAT WOULD BE GENERATED THROUGH USER
3 FEES OR THROUGH ADDITIONAL TAXING AUTHORITY FOR THE
4 POSTCLOSURE MAINTENANCE COSTS.

5 CHAIRMAN GALLAGHER: MR. BEAUTROW.

6 BOARD MEMBER BEAUTROW: I NOTICE THAT IT'S
7 POSTCLOSURE MAINTENANCE COSTS ONLY, NOT THE -- BUT
8 WEREN'T THEY ASKING FOR THE WHOLE BALL OF WAX OR -- YOU
9 KNOW THAT'S, WHAT I UNDERSTOOD IT. NOW, MAINTENANCE
10 COSTS ONLY ARE NOT REAL SIGNIFICANT CONSIDERING THAT THE
11 MAGNITUDE OF THE BIG BUCKS FOR THE CLOSURE.

12 MR. ORR: I THINK THAT THAT WAS ONE OF THE
13 PRIMARY AGREEMENTS THAT WAS REACHED IN THE CONTEXT OF
14 THIS SUBCOMMITTEE WAS THAT THEY FELT COMFORTABLE WITH
15 SEPARATING THE COSTS AND RECOGNIZING THE NEED FOR
16 DEDICATION OF MONEY FOR CLOSURE. I THINK WHAT IT
17 REPRESENTS IS THAT UNDER THE LAW THE OPERATOR'S REQUIRED
18 TO SHOW THE ABILITY TO MAINTAIN THE LANDFILL EVEN BEFORE
19 THAT NEED TO ACTUALLY MAINTAIN THAT LANDFILL EXISTS.

20 AS LONG AS THE LANDFILL IS OPERATING AFTER
21 THE EFFECTIVE DATE OF THESE REGULATIONS, THE OPERATOR
22 WILL HAVE TO HAVE THAT ABILITY. AND SAY YOU HAVE A
23 LANDFILL THAT'S GOT 30 OR 100 YEARS OF LIFE REMAINING, IT
24 WOULDN'T MAKE SENSE TO HAVE TO SET ASIDE THOSE
25 POSTCLOSURE MAINTENANCE MONIES IN ADVANCE OF WHEN THEY'RE

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1 NEEDED. AND SO I THINK THAT IN THE DIFFERENCE BETWEEN
2 THE TYPES OF MONIES GENERATED, THAT THAT LED PEOPLE TO BE
3 ABLE TO SEPARATE THOSE COSTS AND LOOK AT DIFFERENT
4 MECHANISMS FOR EACH.

5 BOARD MEMBER BEAUTROW: WHEN IT'S APPROPRIATE,
6 I'D LIKE YOU TO COMMENT ON THIS LETTER THAT'S ON OUR DESK
7 FROM DALE MILLS ABOUT -- YOU WILL READ IT. IT'S ON PAGE
8 2, THE SECOND PARAGRAPH. BUT IT HAS TO DO WITH THIS.
9 WE'LL PAY FOR THE ONES THAT WE'RE GOING TO CLOSE NOW, BUT
10 WE DON'T WANT TO WORRY ABOUT THE ONES DOWN THE LINE.
11 MAYBE IT'S UNDER THE NEXT --

12 MR. ORR: I HAVEN'T SEEN THE LETTER.

13 BOARD MEMBER BEAUTROW: YOU BETTER READ IT
14 BECAUSE IT PERTAINS TO THIS SUBJECT MATTER. IT MAY NOT
15 BE APPROPRIATE RIGHT NOW, BUT UNDER THE COMMENTS UNDER
16 THE NEXT SECTION. THANK YOU.

17 BOARD MEMBER BROWN: MR. CHAIRMAN.

18 CHAIRMAN GALLAGHER: MR. BROWN.

19 BOARD MEMBER BROWN: JUST ONE FINAL COMMENT,
20 PHIL. I THINK THAT AT FIRST GLANCE CLOSURE SEEMS TO BE
21 THE BIG COST ITEM AND POSTCLOSURE SEEMS TO BE SOMEWHAT
22 INSIGNIFICANT DUE TO THE FACT THAT IT'S MAINTENANCE.
23 HOWEVER, THE POSTCLOSURE, IN MY VIEW, AS I'VE THOUGHT
24 ABOUT IT MORE, POSTCLOSURE BECOMES A BURDEN BECAUSE OF
25 ITS LENGTH OF TIME. AND I THINK THAT BECAUSE OF THAT

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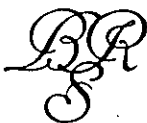
1 TIME COMMITMENT BY THE PUBLIC OR PRIVATE AGENCIES,
2 POSTCLOSURE COSTS TAKE ON A DIFFERENT AND PROBABLY ALMOST
3 AS WEIGHTY AN ISSUE. I RECOGNIZE IT'S NOT TOTALLY
4 FINANCIAL, BUT WHEN YOU HAVE TO COMMIT FOR THAT LENGTH OF
5 TIME. RECOGNIZING WHAT THE STATE OR GOVERNING BODIES CAN
6 DO IN TERMS OF NEW REGULATIONS THAT MAY AFFECT YOUR
7 FACILITATING THOSE CLOSURE COSTS, I THINK IT BECOMES A
8 BURDEN. THERE'S MORE TO IT THAN JUST SAYING ONE COSTS
9 MORE THAN THE OTHER AND DISMISSING IT.

10 CHAIRMAN GALLAGHER: THERE'S A REPRESENTATIVE
11 FROM KERN COUNTY WHO WILL PROBABLY MAKE SOME COMMENTS ON
12 THAT LETTER. TOO, PHIL, AT THE APPROPRIATE TIME.

13 YES, MR. ARAKALIAN.

14 BOARD MEMBER ARAKALIAN: YOU KNOW, ONE THING WE
15 MUST REMEMBER. WE'RE MENTIONING HERE, REITERATING THE
16 FACT THAT THE MAINTENANCE WON'T BE NEARLY AS EXPENSIVE,
17 OBVIOUSLY, AS THE CLOSURE. WE'RE AWARE OF THAT. BY THE
18 SAME TOKEN, THINGS CAN COME TO PASS OVER A PERIOD OF TIME
19 AFTER SOMETHING IS CLOSED WHERE THE MAINTENANCE COULD
20 CONSIDERABLY GET BIG BUCKS BECAUSE IF SOME NEW PIECE OF
21 TECHNOLOGY COMES UP IN THE INTERIM, AND THEY SAY, "OH,
22 YOU KNOW WHAT. WE MADE THESE AIR DAMS OR WATER DAMS OR
23 WHATEVER THINGS FOR STOPPING MIGRATION AND LEACHATE AND
24 WHATEVER." SOME NEW PIECE OF TECHNOLOGY COMES UP THAT
25 COSTS THESE WILD NUMBERS, AND THEY COME ALONG AND SAY,

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1 "NOW, WE FEEL THAT THESE SHOULD BE INSTITUTED." WHO'S TO
2 SAY WHAT THAT CAN COST ALONG WITH MAINTENANCE BECAUSE
3 YOU'RE NOT TALKING ABOUT SIX MONTHS OR A YEAR ON
4 MAINTENANCE. WE'RE TALKING A LOT OF TIME AND A LOT OF
5 THINGS HAVE CHANGED IN THAT TIME. SO THE MAINTENANCE
6 CAN'T BE SNUFFED OFF TOO LIGHTLY, I DON'T THINK.

7 BOARD MEMBER VARNER: MR. CHAIRMAN.

8 CHAIRMAN GALLAGHER: YES.

9 BOARD MEMBER VARNER: SAM, WHAT WE'RE TRYING TO
10 DO HERE IS TO SET -- TO START FIRST WITH PUBLIC AGENCIES
11 AND THOSE PUBLIC AGENCIES THAT HAVE A NUMBER OF LANDFILLS
12 THAT ARE GOING TO BE ONGOING FOREVER. NOW, THE QUESTION
13 YOU RAISE IS A VALID ONE. HOW CAN YOU START TO SET ASIDE
14 MONEY, AS YOU SAY, FOR SOMETHING YOU DON'T EVEN KNOW
15 WHETHER IT'S GOING TO HAPPEN OR NOT?

16 BOARD MEMBER ARAKALIAN: WHAT I'M SAYING IS THE
17 PROBLEM CAN COME UP AND HAVE YOU EVEN THOUGHT ABOUT IT?

18 BOARD MEMBER VARNER: WELL, CERTAINLY WE'VE
19 THOUGHT ABOUT IT. THAT'S WHY WITH THE POSTCLOSURE
20 MAINTENANCE WITH A PUBLIC AGENCY, AS IT'S DEMONSTRATED,
21 THEY HAVE TO PROVIDE HEALTH SERVICES AND SO ON AND SO
22 FORTH. THAT'S PART OF THEIR REQUIREMENT.

23 NOW, WHEN -- IF SOME OF THESE UNFORESEEN
24 THINGS YOU'RE TALKING ABOUT, THEY HAVE TO DEMONSTRATE AN
25 ABILITY TO BE ABLE TO MEET THOSE NEEDS IF AND WHEN THEY

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1 COME. I THINK IT'S RATHER UNREASONABLE NOW TO TRY TO SET
2 ASIDE FUNDS FOR SOMETHING THAT MAY NOT EVER HAPPEN.
3 THAT'S REALLY THE KEY ISSUE THAT'S BEEN BROUGHT UP. BUT
4 THEY HAVE TO DEMONSTRATE THE ABILITY TO RAISE FUNDS IN
5 CASE THERE ARE SOME UNFORESEEN THINGS. AND I THINK THE
6 PUBLIC SECTOR CERTAINLY HAS THAT ABILITY, PARTICULARLY,
7 HERE, THE CONCEPT IS TO ADDRESS THE NEEDS OF THIS LAW.
8 IT SAYS THAT THE LAW, AS I READ IT, SPECIFICALLY SAYS WE
9 WANT TO MAKE SURE THAT THERE'S FUNDS SET ASIDE FOR
10 CLOSURE COSTS AND, NATURALLY, POSTCLOSURE MAINTENANCE.

11 NOW, THERE IS A DIFFERENCE BETWEEN A PUBLIC
12 ENTITY, FOR INSTANCE, AND YOU MENTIONED KERN COUNTY HERE,
13 SOMEONE DID. KERN COUNTY RUNS ALL THEIR LANDFILLS THAT
14 ARE PUBLIC LANDFILLS. THERE'S NO PRIVATE LANDFILLS
15 THERE, AND SO THEY'RE COMMITTED TO RUN THEM FOREVER. SO
16 IT WOULD BE UNREASONABLE, IN MY VIEWPOINT, TO SAY YOU GOT
17 TO SET ASIDE MILLIONS OF DOLLARS FOR SOME POSTCLOSURE
18 COSTS THAT MIGHT BE 25 YEARS DOWN THE LINE. I THINK
19 THAT -- THAT THEY CAN DEMONSTRATE ABILITY TO RAISE
20 REVENUES EITHER THROUGH TAXES OR FEES OR WHATEVER VEHICLE
21 THEY USE TO PAY FOR THEIR LANDFILLS IN THE BEGINNING. WE
22 SET ASIDE A PORTION OF THAT -- TO SET ASIDE FOR A
23 SPECIFIC LANDFILL FOR WHAT IS ESTIMATED FOR CLOSURE
24 COSTS. THAT'S YOUR CAPITAL COST, AND I'M SURE THAT'S
25 GOING TO BE THE BIGGER ONE BECAUSE YOU SET UP ALL THE

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1 MECHANISM.

2 THE OTHER THINGS ARE MAINTENANCE. AND SO
3 AN ENTITY LIKE THAT IS GOING TO BE MAINTAINING THOSE
4 LANDFILLS AD INFINITUM. THEN THEY HAVE THE ABILITY,
5 THEN, TO RAISE REVENUES OR FUNDS OR WHATEVER HAVE YOU AS
6 THEY ARE NEEDED, BUT YOU CAN'T ANTICIPATE, YOU KNOW.
7 WHO'S TO SAY WHAT'S GOING TO HAPPEN TEN YEARS FROM NOW?
8 THAT'S WHAT -- WE WANT TO SEPARATE THOSE SORT OF THINGS.
9 AND SO THAT WAY, IF THEY CAN DEMONSTRATE THE ABILITY FOR
10 ONGOING MAINTENANCE. AND THE MAINTENANCE FOR POSTCLOSURE
11 ISN'T ANY DIFFERENCE THAN THE MAINTENANCE OF A LANDFILL
12 AS IT'S GOING ON A DAILY BASIS RIGHT NOW, SO THEY HAVE TO
13 RAISE REVENUES TO PAY FOR THAT.

14 I THINK CLEARLY THAT MOST COUNTIES COULD
15 DEMONSTRATE OR ALL COUNTIES PROBABLY CAN DEMONSTRATE
16 THEIR ABILITY TO TAKE CARE OF THOSE COSTS WHEN THEY COME
17 DUE, BUT A PORTION OF THOSE REVENUES ARE GOING TO HAVE TO
18 BE SET ASIDE NOW FOR CLOSURE COSTS IN ORDER TO FULFILL
19 THE LAWS THAT IS WRITTEN. AND SO THAT'S WHY WE'VE TAKEN
20 A POSITION THAT THERE IS A DIFFERENCE BETWEEN CLOSURE
21 COSTS AND POSTCLOSURE COSTS.

22 NOW, LATER ON WE WILL GET INTO THE THING
23 WHERE SOMEBODY HAS ONE LANDFILL AND NO OTHER MEANS OF
24 ADDRESSING THE ISSUE. THEN YOU ARE GOING TO HAVE TO TAKE
25 THOSE ISSUES SEPARATELY AS THEY COME UP, BUT RIGHT NOW WE

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1 NEED TO SET SOME KIND OF A PATTERN FOR THE MAJORITY OF
2 WHAT WE'RE GOING TO DO. AND WE DECIDED TO START OUT WITH
3 THE PUBLIC SECTOR. TO SET IT UP SO THAT IT WILL BE A
4 WORKABLE SITUATION FOR THE PUBLIC SECTOR, AND ALSO ONE
5 THAT WE CAN WORK INTO FOR THE LARGER OPERATORS ON THE
6 PRIVATE SECTOR. THEN FOR THOSE THAT JUST HAVE ONE
7 ENTITY; AND, OBVIOUSLY, IF IT'S GOING TO CLOSE RIGHT
8 AWAY, THEN THEY'RE GOING TO HAVE TO SET MORE MONEY ASIDE
9 THAN SOMEBODY THAT'S GOING TO BE IN BUSINESS FROM NOW ON.

10 CHAIRMAN GALLAGHER: MR. CONHEIM.

11 ATTORNEY CONHEIM: MR. CHAIRMAN AND MEMBERS, AS
12 YOU DELIBERATE ON WHAT'S BEEN PRESENTED TO YOU, AND IT'S
13 NOW FLUSHED OUT QUITE WELL IN A LOT OF DETAIL, AND A LOT
14 OF REFERENCE TO MECHANISMS THAT HAVE BEEN USED BY OTHER
15 JURISDICTIONS, ONE OBSERVATION THAT I HAVE IS -- GOES
16 BACK TO THE ENFORCEABILITY OF THIS WHOLE PROGRAM.

17 PLEASE REMEMBER THAT THERE AREN'T VERY MANY
18 HAMMERS IN THIS LAW AS IT WAS ENACTED. AND THAT IF AN
19 OPERATOR FAILS AFTER HAVING SELECTED ONE OF THESE
20 MECHANISMS, A COUPLE OF THINGS OCCUR. UNLESS IT'S --
21 UNLESS THERE'S COLD CASH PUT ASIDE SOMEWHERE, THE BURDEN
22 FALLS TO THE BOARD TO GO IN AND CLEAN UP AND SEEK
23 SOMEBODY TO SUE, TO BILL BACK. AND BEYOND THAT, THE ONLY
24 OTHER HAMMER FOR AN ONGOING OPERATOR IS TO REVOKE A
25 PERMIT AND DISRUPT THE SOLID WASTE SYSTEM. SO THAT'S THE

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1 WAY THE LAW IS WRITTEN. THERE ISN'T A WHOLE LOT OF
2 HAMMER IN THE LAW. AND THESE ARE DRAWN AS TIGHTLY AS
3 THEY CAN BE GIVEN THE LIMITATIONS IN THE LAW; BUT WHERE
4 IT DOES NOT REQUIRE PUTTING CASH UP FRONT, THE BURDEN IS
5 GOING TO COME BACK TO THE BOARD. AND THERE WILL EITHER
6 BE BUDGET TO DO IT OR NOT. THAT'S JUST AN OBSERVATION TO
7 KEEP IN MIND. AND WE'VE THOUGHT ABOUT THIS LAW FOR A
8 COUPLE OF YEARS NOW, BUT THAT'S THE STATE OF THE LAW.

9 MS. TRGOVCICH: THE NEXT RECOMMENDATION OF THE
10 SUBCOMMITTEE IS IN RELATIONSHIP TO A PUBLIC FINANCIAL
11 MEANS TEST. WE TALKED ABOUT THIS A LITTLE BIT EARLIER,
12 AND THE APPLICABILITY OF THE EXISTING FINANCIAL MEANS
13 TEST TO PUBLIC AGENCIES. BECAUSE OF THE VARIOUS PROBLEMS
14 THAT ARE ASSOCIATED WITH A PUBLIC AGENCY UTILIZING A
15 FINANCIAL MEANS TEST THAT HAS BEEN DESIGNED FOR A PRIVATE
16 OPERATOR, THERE HAVE BEEN MANY EFFORTS IN ORDER TO
17 DEVELOP A PUBLIC AGENCY FINANCIAL MEANS TEST.

18 ONE OF WHICH IS DIRECTLY RELATED TO THE
19 SUBCOMMITTEE WAS THE EFFORT ON THE PART OF GRCDA
20 REPRESENTATIVES TO COME UP WITH A MODIFICATION TO THE
21 EXISTING FINANCIAL MEANS TEST TO ADDRESS A PUBLIC
22 OPERATOR'S ABILITY TO PASS THAT TEST. THE SUBCOMMITTEE
23 FELT, HOWEVER, THAT THE MODIFICATIONS THAT WERE PRESENTED
24 WERE CHANGES IN WORDING OR APPLICABILITY OF TERMS;
25 HOWEVER, IT DID NOT ADDRESS THE PRIMARY ISSUE, AND THAT



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1 WAS THE PREDICTIVE NATURE OF THE TEST ITSELF IN ORDER TO
2 DETERMINE THAT THE ENTITY COULD, IN FACT, PROVIDE THOSE
3 COSTS IN A TIMELY MANNER DOWN THE ROAD.

4 THERE IS A CURRENT EFFORT ON THE PART OF
5 EPA TO DEVELOP A PUBLIC FINANCIAL MEANS TEST. ICF
6 INCORPORATED, IN FACT, IS THE CONTRACTOR ON THAT ISSUE AS
7 WELL FOR EPA IN WASHINGTON. THEY ANTICIPATE THAT THERE
8 WILL BE SOME SORT OF ACCEPTANCE OR PRESENTATION OF A
9 PUBLIC AGENCY FINANCIAL MEANS TEST BY SOMETIME THIS
10 SUMMER.

11 THE SUBCOMMITTEE RECOMMENDS THAT THE BOARD
12 KEEP THE DOOR OPEN ON THIS ISSUE; AND UPON DEVELOPMENT OF
13 THAT TEST AND A DEMONSTRATION, EITHER BY THE CONTRACTOR
14 OR EPA, THAT THE TEST IS, IN FACT, APPLICABLE TO PUBLIC
15 AGENCIES, WE WOULD THEN BRING THAT TEST INTO THIS
16 PROCESS. BUT IN THE ABSENCE OF ANY TEST WHICH TAKES INTO
17 ACCOUNT A PUBLIC AGENCY'S ABILITY TO PROVIDE THOSE COSTS
18 IN A TIMELY MANNER AND THE PREDICTIVE NATURE IN TERMS OF
19 THE AGENCY'S ABILITY TO PROVIDE THE FUNDS, GO BANKRUPT,
20 OR OTHERWISE, WE WOULD RECOMMEND ON HOLDING BACK ON A
21 PUBLIC AGENCY FINANCIAL MEANS TEST UNTIL SUCH A TIME AS
22 ONE IS PRESENTED.

23 CHAIRMAN GALLAGHER: THANK YOU. CAN WE CONSIDER
24 A BREAK? WE HAVE TO ACCOMMODATE OUR RECORDER. SO CHAIR
25 DECLARES A RECESS UNTIL 10:30. PLEASE BE PROMPT.

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1 (A BREAK WAS TAKEN.)

2 CHAIRMAN GALLAGHER: CALL THE MEETING BACK TO
3 ORDER, PLEASE. THANK YOU. KAREN.

4 MS. TRGOVCICH: WE'LL CONTINUE ON WITH THE LAST
5 THREE RECOMMENDATIONS OF THE SUBCOMMITTEE.

6 THE FOURTH ITEM IS A PLEDGE OF REVENUES.
7 THIS IS VERY SIMILAR TO WHAT WE WERE TALKING ABOUT
8 EARLIER AS THE SYSTEMS CONCEPT. UNDER THIS CONCEPT, A
9 PUBLIC OPERATOR COULD PLEDGE FOR THE POSTCLOSURE
10 MAINTENANCE COST FUTURE REVENUES TO COVER THOSE COSTS.
11 THIS WOULD INCLUDE ANY INCOMING FEES OR OTHER MONIES THAT
12 WOULD BE COLLECTED UNDER CONTRACTS OR OTHER AGREEMENTS
13 WHICH CAN BE QUANTIFIED AND PRESENTED AS A SPECIFIC
14 DOLLAR AMOUNT.

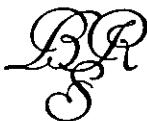
15 THERE WAS A LOT OF DISCUSSION IN THE
16 SUBCOMMITTEE ABOUT THE REQUIREMENT THAT THE POSTCLOSURE
17 MAINTENANCE COSTS COVER 15 YEARS IN TERMS OF THE FUNDING
18 OBLIGATION, AND WHAT WOULD BE THE REQUIREMENT IN TERMS OF
19 A PUBLIC OPERATOR IN THE PLEDGE OF THOSE REVENUES. WOULD
20 AN OPERATOR BE REQUIRED IN ONE YEAR TO PLEDGE REVENUES
21 FOR ALL 15 YEARS, OR WOULD HE BE REQUIRED TO PLEDGE THEM
22 ON A YEAR-TO-YEAR BASIS?

23 WHAT THE SUBCOMMITTEE DECIDED WAS THAT AN
24 OPERATOR WOULD BE REQUIRED TO SHOW THAT OVER THE LIFE OF
25 THE POSTCLOSURE MAINTENANCE PERIOD, THAT HE WOULD HAVE

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1 THE ABILITY TO PLEDGE THOSE REVENUES, THAT THEY WOULD BE
2 QUANTIFIABLE AND HE COULD SHOW THE SOURCES FOR THOSE
3 REVENUES. BUT THAT IN ANY ONE YEAR THE OPERATOR WOULD
4 NOT BE REQUIRED TO SHOW THAT ALL 15 YEARS' WORTH OF
5 POSTCLOSURE MAINTENANCE COSTS COULD BE SHOWN IN REVENUES
6 FOR ONE YEAR. SO THAT IS THE PLEDGE OF REVENUES CONCEPT.

7 THE NEXT ITEM IS A RESOLUTION OF A
8 GOVERNING BODY. I'D LIKE TO TAKE THESE LAST TWO ITEMS
9 HAND IN HAND BECAUSE ONE WAS BORN OUT OF THE OTHER, A
10 CONTRACT OF OBLIGATION. ORIGINALLY, IT WAS A CONTRACT OF
11 OBLIGATION WHICH WAS DISCUSSED SPECIFICALLY AT THE
12 BOARD'S MEETING THIS LAST MARCH IN MODESTO. AS THE IDEA
13 FOR A CONTRACT OF OBLIGATION, THE PUBLIC OPERATOR WOULD
14 ENTER INTO A CONTRACT WITH THE BOARD, STATING THAT THEY
15 WOULD FULFILL THEIR OBLIGATIONS UNDER THE REGULATIONS.

16 BOARD STAFF FELT THAT THIS DOES NOT REALLY
17 PROVIDE ANYTHING BECAUSE THE OPERATOR IS ALREADY
18 OBLIGATED TO FULFILL THE REQUIREMENTS OF THE REGULATIONS
19 THEMSELVES. BUT WHAT THE SUBCOMMITTEE DISCUSSED AND
20 AGREED UPON WAS WHAT WE'LL CALL A RESOLUTION OF A
21 GOVERNING BODY; THAT IS, A RESOLUTION ON THE PART OF THE
22 BOARD OF SUPERVISORS, CITY COUNCIL, WHATEVER THE
23 GOVERNING BODY MAY BE, COMMITTING TO PROVIDE THE
24 APPROPRIATE LEVEL OF FUNDING.

25 THIS RESOLUTION WOULD BE SOMETHING -- WOULD

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1 NOT BE A CONTRACT BETWEEN THE BOARD AND THE PUBLIC
2 OPERATOR. BUT SIMPLY WOULD BE A RESOLUTION ON THE PART OF
3 THE GOVERNING BODY. WHAT -- WHERE WE WOULD SEE THIS
4 RESOLUTION WORKING IS IN THE AREA OF A PLEDGE OF REVENUES
5 AND THE SYSTEMS CONCEPT. AND THAT IS WHERE IF THE PUBLIC
6 OPERATOR DECIDES TO UTILIZE EITHER OF THESE CONCEPTS TO
7 COVER THE POSTCLOSURE MAINTENANCE COST, THAT ACCOMPANYING
8 THAT WOULD BE A RESOLUTION ON THE PART OF THE GOVERNING
9 BODY SO THAT THERE WOULD BE AN OVERALL COMMITMENT TO
10 PROVIDE THESE FUNDS -- PROVIDE THOSE REVENUES WHEN THEY
11 ARE NEEDED.

12 THIS RESOLUTION OF THE GOVERNING BODY WOULD
13 BE SOMETHING THAT WOULD HAVE TO BE MAINTAINED THROUGHOUT
14 THE OPERATION, CLOSURE AND POSTCLOSURE PERIOD, SO THAT
15 THE GOVERNING BODY IS ALWAYS COMMITTED TO FULFILLING THE
16 OBLIGATIONS FOR POSTCLOSURE MAINTENANCE BY PROVIDING
17 THOSE REVENUES WHICH HAVE BEEN PLEDGED.

18 GOING BACK TO A CONTRACT OF OBLIGATION, THE
19 TWO AREAS THAT OUR CONTRACTOR, ICF INCORPORATED, WAS ABLE
20 TO UNCOVER IN THAT AREA WAS THAT THERE ARE ESSENTIALLY
21 TWO TYPES OF CONTRACTS OF OBLIGATION. THE FIRST IS A
22 CONTRACT WHERE THE BOARD HAS THE AUTHORITY TO PROVIDE
23 SOME SORT OF INCENTIVE THAT THE PUBLIC ENTITY WILL
24 FULFILL ITS OBLIGATION. IN MANY INSTANCES MANY -- A FEW
25 OTHER STATES. THE INCENTIVE WOULD BE THE AUTHORITY ON THE

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1 PART OF THE STATE AGENCY TO DIVERT FUNDS OR WITHHOLD
2 FUNDS THAT WOULD BE DESTINED FOR THAT ENTITY. NO SUCH
3 AUTHORITY EXISTS IN THIS STATE.

4 THE OTHER TYPE OF CONTRACT WOULD BE
5 STRICTLY A CONTRACTUAL AGREEMENT BETWEEN THE BOARD AND
6 THE PUBLIC OPERATOR TO FULFILL THOSE OBLIGATIONS, AND
7 THAT IS WHAT I HAD MENTIONED EARLIER AS A TYPE OF
8 CONTRACT THAT REALLY WOULD NOT PROVIDE ANYTHING IN
9 ADDITION TO WHAT THE REGULATIONS CURRENTLY REQUIRE.
10 HOWEVER, WHAT WAS DISCUSSED IN THE SUBCOMMITTEE MEETING
11 WAS THE USE OF A CONTRACT IN ORDER TO BIND THE PUBLIC
12 AGENCY TO PROVIDE THE FUNDS TO THE OPERATOR.

13 IN THIS INSTANCE, THE PUBLIC GOVERNING
14 BODY, FOR EXAMPLE, WOULD ENTER INTO A CONTRACT WITH THE
15 SOLID WASTE AGENCY AND COMMIT TO PROVIDE THE FUNDS TO
16 COVER THE COSTS OF POSTCLOSURE; AND, THUS, THE TWO WOULD
17 BE BOUND BY THAT CONTRACT. THE PUBLIC ENTITY WOULD BE
18 BOUND TO PROVIDE THOSE FUNDS.

19 THIS IS NOT CURRENTLY A MECHANISM; HOWEVER,
20 WE DISCUSSED THAT A PUBLIC OPERATOR MAY WISH TO UTILIZE
21 THIS TYPE OF A CONTRACT IN FULFILLING THE REQUIREMENTS OF
22 ESTABLISHING AN ENTERPRISE FUND, FOR EXAMPLE.

23 AN ENTERPRISE FUND REQUIRES THAT THE MONIES
24 REMAIN INVIOLEATE, THAT THERE CAN BE NO TAMPERING WITH
25 THOSE FUNDS UNTIL THE TIME OF CLOSURE AND/OR POSTCLOSURE

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1 MAINTENANCE. SUCH A CONTRACT COULD BE A MECHANISM
2 THAT -- THAT AN OPERATOR MAY WISH TO USE TO DEDICATE
3 THOSE FUNDS. WE'RE NOT SAYING THAT WE'VE REVIEWED IT AND
4 DETERMINED THAT THAT WOULD SATISFY THE BOARD, BUT IT'S
5 SOMETHING TO DEFINITELY BE LOOKED INTO AT THIS TIME. SO
6 THOSE ARE THE AREAS THAT THE SUBCOMMITTEE HAS LOOKED
7 INTO.

8 TO SUMMARIZE, THE SUBCOMMITTEE RECOMMENDS
9 THAT THERE BE A SEPARATION OF THE CLOSURE AND POSTCLOSURE
10 MAINTENANCE COSTS. THAT THE FOLLOWING CONCEPTS BE
11 EVALUATED AND INCLUDED INTO THE DRAFT REGULATIONS, AND
12 THAT WOULD BE THE USE OF THE SYSTEMS CONCEPT, THE USE OF
13 A PLEDGE OF REVENUES IN CONJUNCTION WITH A RESOLUTION OF
14 THE GOVERNING BODY TO BE USED BY A PUBLIC OPERATOR TO
15 COVER THE POSTCLOSURE MAINTENANCE COSTS. THESE WOULD BE
16 OPTIONS AVAILABLE TO A PUBLIC OPERATOR IN ADDITION TO
17 THOSE OPTIONS CURRENTLY LISTED IN THE DRAFT REGULATIONS.

18 WHAT STAFF WOULD PROPOSE AT THIS TIME WOULD
19 BE, DEPENDING UPON THE OUTCOME OF THIS MEETING AND ANY
20 RECOMMENDATIONS OR GUIDANCE PROVIDED ON THESE DRAFT
21 REGULATIONS, WOULD BE TO INCORPORATE THOSE CHANGES INTO
22 THE DRAFT REGULATIONS AS THEY HAVE BEEN PRESENTED TO YOU
23 TODAY. TO PROVIDE AND DISTRIBUTE THE REVISED DRAFT
24 REGULATIONS TO ALL LOCAL ENFORCEMENT AGENCIES, OPERATORS,
25 AND OTHER INTERESTED PARTIES FOR COMMENT TO BE SUBMITTED

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1 BACK TO BOARD STAFF. AND IN JUNE THESE DRAFT REGULATIONS
2 WOULD COME BEFORE YOU AGAIN FOR ADOPTION AS A PART OF THE
3 EMERGENCY REGULATION PROCEDURE, WHICH HAS BEEN DISCUSSED
4 PREVIOUSLY WITH YOU.

5 CHAIRMAN GALLAGHER: THANK YOU, KAREN.

6 BILL, DID YOU HAVE SOMETHING ELSE?

7 MR. ORR: WELL, IN TERMS OF THE LETTER FOR KERN
8 COUNTY, I DON'T KNOW IF THEY WANT TO SPEAK TO THAT, BUT I
9 AM PREPARED TO MAKE A FEW COMMENTS ABOUT THAT AT THE
10 APPROPRIATE TIME.

11 CHAIRMAN GALLAGHER: THANK YOU. I DON'T KNOW --
12 IS MY MIKE ON? I HAVE NO LIGHT, SO I CAN'T TELL WHETHER
13 I'M BEING LISTENED TO OR WHETHER I'M NOT. TAKE MY VOICE
14 AWAY FROM ME, AND YOU'VE GOT ME IN DEEP TROUBLE.

15 BOARD MEMBER VARNER: TELL THEM TO READ YOUR
16 LIPS.

17 CHAIRMAN GALLAGHER: BEFORE WE TAKE PUBLIC
18 COMMENT, I WOULD LIKE TO PAY A LITTLE TRIBUTE TO THE
19 SUBCOMMITTEE. THIS HAS BEEN A HARDWORKING GROUP, AND
20 THERE'S A LOT OF UNCHARTERED WATER THAT WE'VE BEEN TRYING
21 TO PLOW OUR WAY THROUGH IN A VERY HAIRY ISSUE. SO THANK
22 YOU ALL FOR THE EXTRA WORK THAT YOU'VE PUT IN, INCLUDING
23 MY TWO COLLEAGUES ON THE BOARD, WHO HAVE HAD TO COME IN
24 DAYS EARLY AHEAD OF BOARD MEETINGS AND WHAT HAVE YOU TO
25 WORK ON IT. THANK YOU AGAIN. IT SEEMS TO ME THAT YOU'VE

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1 DONE AN OUTSTANDING JOB.

2 UNLESS THERE ARE ANY QUESTIONS OF BOARD
3 MEMBERS FOR OUR OWN STAFF, WE'RE READY TO TAKE SOME
4 PUBLIC COMMENT. I HAVE A REQUEST FROM MR. EDGAR OF
5 BAKERSFIELD TO MAKE COMMENTS ON THIS. ARE YOU PREPARED
6 AND READY TO GO?

7 PLEASE IDENTIFY YOURSELF FOR THE RECORD.

8 MR. EDGAR: EVAN EDGAR, CIVIL ENGINEER, KERN
9 COUNTY PUBLIC WORKS. MR. CHAIRMAN, BOARD MEMBERS, GLAD
10 TO BE HERE TODAY. HAVE TO APOLOGIZE FOR NOT MAKING THE
11 MODESTO MEETING. WE WERE CAUGHT UP IN THE TESTIMONY DOWN
12 AT THE INTEGRATED WASTE SYSTEMS IN LOS ANGELES DURING THE
13 MODESTO HEARINGS. APOLOGIZE FOR NOT MAKING THE PREVIOUS
14 SUBCOMMITTEE HEARINGS, BUT I REALLY LIKE WHAT I'M HEARING
15 TODAY FROM THE SUBCOMMITTEE. WE WOULD HAVE TO CONCUR
16 WITH A LOT OF THE DISCUSSION THAT'S GOING ON HERE TODAY.

17 KERN COUNTY IS HERE TODAY TO DISCUSS THE
18 IMPLEMENTATION OF THE EASTIN BILL AND EMPHASIZE OUR
19 POSITION PRIOR TO THE ADOPTION OF ANY EMERGENCY
20 REGULATIONS IN JULY OR IN JUNE.

21 WE HAVE A SYSTEMS CONCEPT GOING ON IN KERN
22 COUNTY RIGHT NOW. WE HAVE 14 COUNTY LANDFILLS AND FOUR
23 SMALL VOLUME TRANSFER STATIONS OWNED AND OPERATED BY THE
24 COUNTY. OVER THE NEXT SIX YEARS WE HAVE SOME CHALLENGES
25 IN FRONT OF US. WE'RE GOING TO BE CLOSING FIVE OF THEM.

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1 OVER AT -- CHINA GRADE, WE'LL BE REPLACING IT WITH OUR
2 BENA LANDFILL. THAT'S OUR 65-YEAR CAPACITY LANDFILL
3 SERVING THE BAKERSFIELD AREA, PLUS WE'RE GOING TO BE
4 HAVING SUBSTANTIAL EXPANSIONS TO MCFARLAND-DELANO, KERN
5 VALLEY, AND ARVIN. AND ONE LANDFILL UP AT GLENNVILLE
6 WE'RE GOING TO BE CLOSING DOWN AND CONVERTING OVER TO A
7 TRANSFER STATION.

8 SO OVER THE NEXT SIX YEARS -- OVER THE NEXT
9 SIX YEARS WE WANT TO FUND THE CLOSURES OF THOSE FIVE
10 LANDFILL, AND WE CONCUR WITH SEPARATING THE CLOSURE COST
11 FROM THE POSTCLOSURE MAINTENANCE COST. WE'RE OBLIGATED
12 TO RAISE REVENUE USING OUR LAND USE FEE FUNDING MECHANISM
13 AS FOUND IN A SANITARY WASTE ENTERPRISE FUND IN ORDER TO
14 FUND THOSE CLOSURES.

15 I'VE INCLUDED A SHORT HISTORY INSIDE OF
16 YOUR PACKAGE UP THERE ABOUT WHAT HAS HAPPENED OVER THE
17 LAST FEW YEARS REGARDING THE LAND USE FEE HISTORY IN KERN
18 COUNTY. FOR THE LONGEST TIME, WE WERE ABLE TO FUND IT
19 RIGHT OUT OF GENERAL FUND FOR \$3 MILLION A YEAR FOR ABOUT
20 A MILLION TONS A YEAR OF DISPOSAL. BUT IN THE RECENT
21 YEARS WITH ALL THESE UNFUNDED STATE MANDATES, WE HAD TO
22 LOOK FOR OTHER SOURCES, AND ONE OF THE SOURCES WE LOOKED
23 FOR IS GOING TOWARDS THE USER FEE PROGRAM.

24 WE HAD A VOTE LAST SEPTEMBER ON THAT
25 WHEREAS WE ASKED THE COMMUNITY OF BAKERSFIELD AND KERN

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1 COUNTY. DO YOU WANT TO HAVE A GATE FEE PROGRAM OR THE
2 LAND USE FEE PROGRAM. AND TO OUR SURPRISE -- REALLY
3 WASN'T TO OUR SURPRISE, BUT HOW IT WORKED OUT, THAT WE
4 WENT WITH THE LAND USE FEE PROGRAM.

5 WHEN WE WERE TESTIFYING IN FRONT OF THE
6 INTEGRATED WASTE MANAGEMENT SENATE TASK FORCE LAST MONTH,
7 EVERYBODY WAS INTERESTED IN THIS LAND USE FEE CONCEPT.
8 SO WE PUT TOGETHER THIS HISTORY, AND WE HAVE DISBURSED
9 IT. AND MANY OTHER PEOPLE ARE LOOKING AT USING THIS LAND
10 USE FEE CONCEPT UNDER A GROUP FUNDING SYSTEM IN ORDER TO
11 HELP THEM OUT ON THE EASTIN BILL.

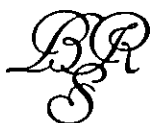
12 SO ONE THING I THINK THE ENTERPRISE FUND IS
13 UNIQUE THAT WE DO HAVE A SYSTEMS CONCEPT, AND THAT IT'S
14 NOT LIKE AN INDIVIDUAL PRIVATE LANDFILL DEPENDING ON GATE
15 FEES. ANOTHER THING, THE COUNTY WILL BE AROUND FOR A
16 WHILE. WE HAVE ALWAYS MET OUR FINANCIAL OBLIGATIONS AND
17 WE WILL CONTINUE TO DO SO.

18 AND LOOKING BACK AT THE GOVERNMENT CODE, AS
19 I NOTED 66796.22(B)1(C) AND THAT THE BOARD WILL ENSURE
20 THAT WE HAVE ADEQUATE RESOURCES FOR CLOSURE AND
21 POSTCLOSURE MAINTENANCE, AND USING A SANITARY WASTE
22 ENTERPRISE FUND WITH THE LAND USE FEE MECHANISM, I THINK
23 KERN COUNTY CAN DO THAT. WE DO WANT TO SET ASIDE ENOUGH
24 MONEY OVER THE NEXT SIX YEARS, ABOUT 9 OR \$10 MILLION, WE
25 WILL RAISE FUNDING LEVELS TO SET ASIDE \$9 MILLION TO

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1 CLOSE THESE LANDFILLS. ONCE WE'VE GOT THE INITIAL
2 LANDFILLS OUT OF THE WAY, WE STILL HAVE NINE OTHER COUNTY
3 LANDFILLS THAT ARE NOT SLATED FOR IMMEDIATE CLOSURE.

4 SO WHAT WE PROPOSE TO DO OVER THE NEXT
5 FIVE, SIX YEARS IS RAISE THAT \$9 MILLION, UP OUR FUNDING
6 LEVEL; AND ONCE WE HAVE THESE LANDFILLS CLOSED OUT, THEN
7 WE WILL BE COLLECTING THIS MONEY AT THIS FUNDING LEVEL
8 AND THAT MONEY CAN BE GOING INTO THE CLOSURE COST FOR THE
9 OTHER NINE LANDFILLS. AND WE DO PROPOSE TO FUND OUR
10 POSTCLOSURE MAINTENANCE AS PART OF OUR -- AS PART OF OUR
11 OPERATING COST.

12 IN FRONT OF ME I HAVE A BOARD RESOLUTION.
13 I DIDN'T GET COPIES, BUT WE HAVE A BOARD RESOLUTION, A
14 PLEDGE FOR FUNDING, AND WE CAN MODIFY IT TO FIT INTO THE
15 POSTCLOSURE MAINTENANCE COST AS OUR ANNUAL OPERATING
16 COST.

17 WHAT I'VE HEARD HERE TODAY, I WOULD HAVE TO
18 CONCUR LAND USE FEE SYSTEM CONCEPT AND SEPARATING OF
19 POSTCLOSURE MAINTENANCE COST, AND WE FEEL THE PLAN IS
20 REASONABLE. AND WE FEEL THAT THE BOARD HAS PROVIDED SOME
21 FLEXIBILITY IN ORDER FOR THE COUNTY HERE TO MEET OUR
22 OBLIGATIONS. WE'VE BEEN HERE BEFORE. WE'VE GOT BENA,
23 65-YEAR CAPACITY. WE HAVE A COSWMP THAT WAS
24 STATE-OF-THE-ART. WE'RE RECYCLING 18 PERCENT. WE HAVE
25 SUBMITTED OUR INITIAL COST ESTIMATES. WE HAD 14

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1 LANDFILLS IN BY JANUARY 1, 1989. WE HAD OUR INITIAL COST
2 ESTIMATES IN ON TIME, AND WE HAVE OUR SANITARY WASTE
3 ENTERPRISE FUND ESTABLISHED.

4 WE FEEL WE TURNED THE CORNER, AND WE'D LIKE
5 TO CONTINUE ON PROVIDING SERVICE TO THE COUNTY OF KERN AT
6 AN ECONOMICAL PRICE AND AT THE SAME TIME STILL PROTECT
7 THE ENVIRONMENT. I THINK KERN COUNTY IS A PRIME EXAMPLE
8 OF A LOCAL AGENCY THAT IS CAPABLE OF ADDRESSING AND
9 RESOLVING SOLID WASTE MANAGEMENT ISSUES, AND WE WILL
10 CONTINUE TO DO SO. APPRECIATE YOUR BOARD'S TIME TODAY,
11 AND I WILL BE ABLE TO ANSWER ANY QUESTIONS THAT YOU MAY
12 HAVE.

13 CHAIRMAN GALLAGHER: THANK YOU, MR. EDGAR.
14 THANK YOU AGAIN FOR TAKING THE TIME TO COME UP HERE AND
15 SHARE YOUR THOUGHTS WITH US.

16 AND NOW WE HAVE ANOTHER REQUEST, MR. JACK
17 MICHAEL FROM LOS ANGELES COUNTY SANITATION DISTRICT, I
18 GUESS. JACK. PUBLIC WORKS? YOU DON'T IDENTIFY WHICH
19 ENTITY YOU'RE REPRESENTING TODAY, BUT WE'LL LISTEN TO YOU
20 ANYWAY.

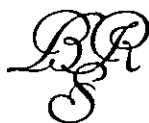
21 MR. MICHAEL: I AM JACK MICHAEL REPRESENTING LOS
22 ANGELES COUNTY.

23 MR. CHAIRMAN AND MEMBERS OF THE BOARD, I
24 SIMPLY ONLY WANTED TO INDICATE THAT SERVING ON THE
25 SUBCOMMITTEE AND WHAT'S BEEN PRESENTED TO YOU, I THINK IN

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1 CONCEPT CERTAINLY GOES A LONG WAY TOWARD MEETING THE
2 CONCERNS THAT I RAISED TO THE BOARD IN MODESTO.
3 CERTAINLY, THERE'S MUCH YET TO BE DONE IN TERMS OF
4 WRITING THE LANGUAGE WITHIN THOSE CONCEPTS, AND WE'RE
5 DEDICATED TO WORK WITH THE STAFF IN ACCOMPLISHING THAT.

6 SIMPLY LIKE TO THANK YOU, MR. CHAIRMAN, FOR
7 YOUR LEADERSHIP AND THE HARD WORK OF MEMBERS BROWN AND
8 VARNER AND THE STAFF FOR WHAT'S BEEN ACCOMPLISHED HERE IN
9 THE PAST MONTH. SO THANK YOU VERY MUCH FOR THE
10 OPPORTUNITY.

11 CHAIRMAN GALLAGHER: THANK YOU VERY MUCH, MR.
12 MICHAEL.

13 ANY QUESTION OF MR. MICHAEL BEFORE HE
14 LEAVES? THANK YOU.

15 DOES THAT TAKE CARE OF 1(A) NOW?

16 MR. ORR: WE JUST -- I THINK THAT PRETTY MUCH
17 TAKES CARE OF IT, YES.

18 BOARD MEMBER BEAUTROW: MR. CHAIRMAN, IT MAY BE
19 THAT KAREN TRGOVCICH READ A -- SHE STATED A LENGTHY STAFF
20 RECOMMENDATION, I BELIEVE, BUT IT MIGHT BE APPROPRIATE --
21 AND I'LL DO SO IF WE MAKE A MOTION TO ACCEPT THE
22 COMMITTEE RECOMMENDATION AND FOLD THE WHOLE THING INTO
23 THE PROCESS AS KAREN HAD OUTLINED.

24 BOARD MEMBER BROWN: SECOND.

25 CHAIRMAN GALLAGHER: IT'S BEEN MOVED AND



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1 SECONDED THAT WE ADOPT STAFF'S RECOMMENDATION OF THOSE
2 THINGS OUTLINED IN SECTION 1(A) OF THE AGENDA.

3 ALL THOSE IN FAVOR?

4 BOARD MEMBER BREMBERG: PLUS THE INCORPORATION
5 OF THE AD HOC COMMITTEE MECHANISMS.

6 BOARD MEMBER BEAUTROW: YES.

7 CHAIRMAN GALLAGHER: PLUS -- STATE AGAIN.

8 BOARD MEMBER BREMBERG: THE INCORPORATION OF
9 THE --

10 CHAIRMAN GALLAGHER: PLUS THE DRAFT
11 RECOMMENDATIONS OF THE AD HOC COMMITTEE ON FINANCIAL
12 MECHANISMS.

13 BOARD MEMBER BEAUTROW: YES.

14 CHAIRMAN GALLAGHER: ALL THOSE IN FAVOR?
15 OPPOSED? SO ORDERED.

16 WE'RE GOING TO TAKE A BREAK BETWEEN ITEMS
17 1(A) AND 1(B) ON THE AGENDA. THE PURPOSE OF TAKING THIS
18 BREAK IS THAT CHAIR AGAIN HAS AN OPPORTUNITY TO WELCOME
19 AN OLD FRIEND FOR MANY YEARS AND TO WELCOME AN
20 ORGANIZATION WHICH WE'RE ALL QUITE FAMILIAR WITH. THEY
21 HAVE BEEN WORKING FOR MANY YEARS IN A VERY LITTLE PAID
22 ATTENTION TO FIELD OF SOCIAL WORK, AND THAT IS LITTER
23 CONTROL.

24 AFTER ALL THESE YEARS OF WORKING STRICTLY
25 IN THE LITTER FIELD, KEEP AMERICA BEAUTIFUL HAS TAKEN A

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1 VERY LARGE STEP, AND THEY ARE TRYING TO EXPAND THEIR
2 OPERATIONS INTO THE SOLID WASTE FIELD. AND WE'RE VERY
3 LUCKY.

4 AS YOU KNOW, OUR EXECUTIVE OFFICER IS A
5 MEMBER OF THE NATIONAL BOARD OF KEEP AMERICA BEAUTIFUL,
6 AND WE HAVE AN OPPORTUNITY TODAY TO WELCOME THE PRESIDENT
7 OF KEEP AMERICA BEAUTIFUL, WHO IS A VERY OLD FRIEND OF
8 MINE PERSONALLY. HE'S COME OUT HERE, AND WE'D LIKE TO
9 ASK HIM TO STEP FORWARD. MR. ROGER POWERS, WHO IS
10 PRESIDENT OF KEEP AMERICA BEAUTIFUL. GIVE US AN IDEA
11 WHAT THEY'RE ABOUT.

12 MR. POWERS: THANK YOU. INDEED, MR. CHAIRMAN,
13 THANK YOU FOR YOUR KIND COMMENTS. IT'S ALWAYS A TREAT TO
14 BE IN YOUR MAGNIFICENT LAND, BUT IT'S PARTICULARLY
15 GRATIFYING TO RECEIVE YOUR INVITATION TO BE HERE THIS
16 MORNING.

17 AS YOU KNOW, YESTERDAY WE WERE PRIVILEGED
18 TO SPEAK TO THE STAFF OF THE WASTE MANAGEMENT BOARD AND A
19 NUMBER OF OTHER AGENCY REPRESENTATIVES. AND WE USED A
20 LENGTHY VIDEO AND SLIDE PRESENTATION TO BRING THEM
21 UP-TO-DATE ON WHAT WE'RE DOING AND WHAT OUR PLANS ARE FOR
22 THE 1990S.

23 WHAT I'D LIKE TO DO THIS MORNING IS TO
24 BRIEFLY REPORT TO YOU THAT KAB WILL BUILD ON ITS SUCCESS
25 OF 12 YEARS IN ADDRESSING THE LITTERING ISSUE TO EDUCATE

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1 THE AMERICAN PEOPLE ABOUT THE SOLID WASTE ISSUE. TO
2 PROVIDE THE FACTS, TO REASSURE THEM THAT THERE ARE TESTED
3 AND TRIED SOLUTIONS TO THAT ISSUE; THAT WHILE THE ISSUE
4 IS A COMPLEX ONE, IT IS NOT AN INTRACTABLE ONE.

5 KAB. IN ITS EDUCATIONAL EFFORT IN
6 BROADENING ITS MISSION TO ADDRESS SOLID WASTE ISSUE, WILL
7 BE PROMOTING THE INTEGRATED SOLID WASTE MANAGEMENT PLAN.
8 AS YOU WELL KNOW, THERE IS NO ONE RIGHT SOLUTION FOR
9 ADDRESSING THE SOLID WASTE ISSUE IN AMERICAN COMMUNITIES.
10 BUT IN THAT INTEGRATED SOLID WASTE MANAGEMENT PLAN, WHICH
11 INCLUDES SOURCE REDUCTION, RECYCLING, WASTE-TO-ENERGY,
12 LANDFILLING AND COMPOSTING, THERE ARE OPTIONS WITHIN THAT
13 EACH COMMUNITY CAN LOOK AT IN MAKING THEIR OWN DECISIONS,
14 DECISIONS ABOUT HOW THEY'RE GOING TO ADDRESS THEIR OWN
15 SOLID WASTE DILEMMA.

16 IN OFFERING OUR EDUCATIONAL PROGRAM, WE
17 WILL BE GUIDED BY A VERY PROFESSIONAL GROUP THAT SERVES
18 ON THE KAB SOLID WASTE TASK FORCE. IT'S COMPRISED OF
19 EXPERTS FROM ORGANIZATIONS SUCH AS THE NATIONAL LEAGUE OF
20 CITIES AND THE CONFERENCE OF MAYORS AND THE AMERICAN
21 PUBLIC WORKS ASSOCIATION AND THE ASSOCIATION OF STATE AND
22 TERRITORIAL SOLID WASTE OFFICIALS, INDEED THE FEDERAL
23 EPA.

24 IT ALSO CONCLUDES GROUPS LIKE THE AARP AND
25 THE GENERAL FEDERATION OF WOMEN'S CLUBS. IT'S MORE THAN

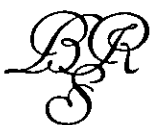
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1 JUST A PRESTIGIOUS LIST OF ORGANIZATIONS. THESE ARE THE
2 PEOPLE WHO DAY IN AND DAY OUT MUST MAKE DECISIONS ABOUT
3 HOW WE'RE GOING TO ADDRESS THE SOLID WASTE ISSUE IN
4 AMERICAN COMMUNITIES. SO WE'RE ENCOURAGED WITH THAT KIND
5 OF LEADERSHIP, AND ALREADY THEY'VE TAKEN SOME POSITIVE
6 ACTIONS IN JUST THE SHORT SPACE OF SIX MONTHS.

7 WE'VE DISTRIBUTED TO YOU THIS MORNING OUR
8 FIRST MAJOR PUBLICATION ON THE SOLID WASTE ISSUE,
9 "OVERVIEW ON SOLID WASTE DISPOSAL ALTERNATIVES," WHICH,
10 AS I SAID, COVERS SOURCE REDUCTION, RECYCLING,
11 WASTE-TO-ENERGY, LANDFILLING, COMPOSTING, AND HAS A
12 GLOSSARY OF TERMS, TALKS ABOUT IN THE CONTEXT OF
13 WASTE-TO-ENERGY AIR EMISSIONS AND ASH MANAGEMENT. IT IS
14 NOT INTENDED TO BE A TECHNICAL TOOL. IT'S WRITTEN IN LAY
15 TERMS FOR ANYONE TO UNDERSTAND.

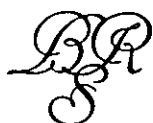
16 HOPEFULLY, FOR AT LEAST OPINION LEADERS WHO
17 ARE CONCERNED ABOUT THE PROBLEM, THE KEY IS TO GET THE
18 FACTS BEFORE WE INVOLVE THE PEOPLE. WE'VE APPLIED THAT
19 CONCEPT VERY EFFECTIVELY OVER 12 YEARS IN IMPLEMENTING
20 OUR KAB SYSTEM. WE WILL BE DOING THE SAME THING IN
21 ADDRESSING THE SOLID WASTE ISSUE.

22 BEYOND THE GUIDANCE AND PRODUCING
23 PUBLICATIONS, THE SOLID WASTE TASK FORCE WILL HAVE A
24 DIRECT HAND IN PUTTING TOGETHER OUR EDUCATION MODULE THAT
25 WILL BE A PART OF OUR KAB SYSTEM. WE WILL BE PUTTING

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1 TOGETHER PUBLIC FORUMS VERY SHORTLY. YOU'LL BE HEARING
2 ABOUT A SERIES OF MEETINGS IN WHICH KAB WILL BE
3 COOPERATING WITH THE NATIONAL CONFERENCE OF STATE
4 LEGISLATIVE LEADERS AND GENERAL FEDERATION OF WOMEN'S
5 CLUBS TO SPEAK TO THE FACTS FOR PRIMARILY -- CONDUCTED
6 PRIMARILY FOR STATE AND LOCAL OFFICIALS. THOSE, AGAIN,
7 WHO HAVE DIRECT RESPONSIBILITY FOR THE SOLID WASTE ISSUE.

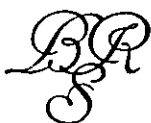
8 AND HOPEFULLY, SHORTLY, YOU WILL BE
9 HEARING, TOO, THAT AS A RESULT OF A GRANT APPLICATION
10 THAT WE MADE TO THE ENVIRONMENTAL PROTECTION AGENCY, THAT
11 KEEP AMERICA BEAUTIFUL AND THE COUNCIL OF STATE
12 GOVERNMENTS WILL SERVE AS A NATIONAL CLEARINGHOUSE FOR
13 INFORMATION ON MUNICIPAL SOLID WASTE. THAT'S A LITTLE
14 PREMATURE FOR ME TO COMMENT ON IT, BUT WE HAVE OUR HOPES.
15 WE THINK THAT'S ABSOLUTELY ESSENTIAL AND IT'S CONSISTENT
16 WITH OUR PREMISE THAT WE MUST GET THE FACTS BEFORE WE
17 INVOLVE THE PEOPLE.

18 OUR FIRST PRIORITY IN OUR EDUCATIONAL
19 EFFORT AND I THINK VERY NATURAL IS TO DEAL WITH THOSE
20 PEOPLE IN WHICH WE ARE OBLIGATED TO SERVE; THAT IS, OUR
21 OWN NATIONAL NETWORK OF KAB SYSTEM COMMUNITIES. 450
22 COMMUNITIES ARE CERTIFIED TO IMPLEMENT OUR KAB SYSTEM,
23 FIRST TO ADDRESS LITTER, TO ENCOURAGE MULTIMATERIAL
24 RECYCLING, AND NOW THE EDUCATIONAL ASPECTS OF SOLID
25 WASTE.

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1 IN THAT 450 COMMUNITIES IN 40 STATES, WE'RE
2 IMPACTING THE LIVES OF OVER 74 MILLION AMERICANS, AND I'M
3 PROUD TO BE ABLE TO REPORT THAT INCLUDED IN THAT 450
4 COMMUNITIES ARE 12 CALIFORNIA COMMUNITIES. AND I DON'T
5 KNOW THAT I DARE MENTION THIS, BEING THIS FAR NORTH IN
6 CALIFORNIA, BUT THE LARGEST CITY IN THE KAB SYSTEM, ABOUT
7 TO BECOME FINALLY CERTIFIED, IS LOS ANGELES. WE'RE VERY
8 PROUD OF THAT. WE HAD THE BIG KICKOFF IN JANUARY, AND I
9 CAN TELL YOU THAT MAYOR BRADLEY AND I HAD DISCUSSIONS,
10 FOR WHAT IT'S WORTH, AND WE TALKED ABOUT USING THE SYSTEM
11 AS PART OF THE EDUCATIONAL PROCESS IN ADDRESSING THE
12 SOLID WASTE ISSUE AND, OF COURSE, THAT IS OF MAJOR
13 MAGNITUDE IN THAT GREAT CITY.

14 I COME BRIEFLY TO PLEDGE OUR SUPPORT AS YOU
15 MAKE YOUR DECISIONS AND YOU PLAN WHAT YOU WANT TO DO HERE
16 IN CALIFORNIA IN ADDRESSING THE SOLID WASTE ISSUE. I
17 WOULD HOPE THAT YOU WOULD GIVE SOME CONSIDERATION TO
18 DESIGNATING CALIFORNIA AS A KAB SYSTEM COMMUNITY SO THAT
19 WE COULD FURTHER EXPAND THE KAB SYSTEM TO ADDRESS THE
20 LITTER ISSUE AND TO SPREAD THE WORD ON THE SOLID WASTE
21 ISSUE.

22 BEYOND THAT, I RESPECTFULLY SUGGEST THAT
23 SINCE THIS STATE HAS ALWAYS BEEN A LEADER IN ADDRESSING
24 ENVIRONMENTAL ISSUES, WHY NOT SERVE AS A MODEL IN
25 DEVELOPING IN A PROCESS THAT WE CAN USE ACROSS THIS

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1 NATION IN ADDRESSING THE SOLID WASTE ISSUE, A PROCESS
2 THAT WOULD ENABLE US TO BRING INDUSTRY AND GOVERNMENT AT
3 EVERY LEVEL AND CIVIC SECTORS TOGETHER IN EXCHANGE OF
4 INFORMATION. PERHAPS EVEN IN THE PLANNING OF A PLAN THAT
5 COULD BE IMPLEMENTED, A PROCESS THAT WE AT KAB, THEN,
6 USING CALIFORNIA AS A MODEL, AS A CASE STUDY, COULD OFFER
7 TO OTHER STATES. IT WOULD SERVE PEOPLE OF CALIFORNIA. I
8 THINK IT WOULD BE AN EXCELLENT CONTRIBUTION OF THE BOARD,
9 AND IT CERTAINLY WOULD SERVE THE EFFORT OF KAB IN MOVING
10 CLOSER TO ITS GOAL AND COLLAPSING THE TIME NECESSARY TO
11 HOPEFULLY DEVELOP A NATIONAL CONSENSUS ON THE SOLID WASTE
12 ISSUE.

13 THANK YOU, MR. CHAIRMAN, FOR GIVING ME THIS
14 TIME.

15 CHAIRMAN GALLAGHER: THANK YOU, ROGER. I THINK
16 MR. BROWN WOULD LIKE TO ASK YOU A QUESTION.

17 BOARD MEMBER BROWN: NOT A QUESTION. I JUST
18 WANT TO COMPLIMENT YOU FOR RECOGNIZING AND PUTTING AS AN
19 UNDERPINNING TO THE KEEP AMERICA BEAUTIFUL CONCEPT THE
20 BASIC VIEW THAT AN INTEGRATED WASTE MANAGEMENT SYSTEM IS,
21 IN FACT, AT THE FOREFRONT OF THE WHOLE ISSUE OF DISPOSAL.
22 AND THOSE WHO WOULD FOCUS ON ONE OR TWO OF THE DISPOSAL
23 METHODS REALLY DON'T HAVE A HANDLE ON IT. AND I
24 COMPLIMENT YOU BECAUSE I THINK THAT YOU CAN -- DO GO AND
25 MAKE A GREAT STRIDE IN TERMS OF KEEPING AMERICA

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1 BEAUTIFUL, IF YOU WILL, OVER THE ENTIRE CONCEPT IF YOU
2 WILL USE AS THE BASIS FOR YOUR EFFORT THE INTEGRATED
3 WASTE MANAGEMENT SYSTEM. AND I COMPLEMENT YOU FOR SEEING
4 THAT AT THE OUTSET.

5 MR. POWERS: THANK YOU, MR. BROWN. I WOULD JUST
6 ADD TO THAT -- PERHAPS I'M ON DANGEROUS GROUND, BUT THAT
7 DOESN'T STOP ME VERY OFTEN. I AM CONCERNED, FRANKLY,
8 THAT ALL OF THE TALK ABOUT RECYCLING AND THE INVOLVEMENT
9 THAT WE'VE BEEN ABLE TO STIMULATE COULD DOWNSTREAM,
10 UNLESS WE CONCERN OURSELVES WITH CREATING MARKETS FOR
11 SECONDARY MATERIALS, CAUSE US A HORRENDOUS PROBLEM.

12 I REMEMBER WELL IN THE EARLY '70S, AS
13 PERHAPS MANY OF YOU CAN REMEMBER, WHEN WE PROMOTED
14 RECYCLING WITH NO CONCERN WITH MARKETS, AND WE HAD PILES
15 OF GARBAGE BUILT UP THROUGHOUT THIS COUNTRY. AND WHAT WE
16 REALLY DID IS CREATED SERIOUS CREDIBILITY PROBLEMS FOR
17 OURSELVES. WE'RE STILL LIVING WITH THAT IN SOME
18 QUARTERS. SO I AGREE WITH YOU. I THANK YOU FOR BRINGING
19 IT OUT.

20 I WOULD HOPE THAT CONSISTENT WITH THAT
21 INTEGRATED SOLID WASTE MANAGEMENT APPROACH AND PROMOTING
22 RECYCLING, WE'RE TELLING PEOPLE THAT IS NOT THE SOLUTION.
23 IT'S JUST ONE OF THE OPTIONS AVAILABLE TO US.

24 CHAIRMAN GALLAGHER: MR. VARNER.

25 BOARD MEMBER VARNER: MR. CHAIRMAN. YOU KNOW,

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1 I WANT TO COMPLIMENT YOU ON YOUR STATEMENT THAT SAYS
2 LET'S GET THE FACTS OUT BEFORE WE GET THE PEOPLE
3 INVOLVED. THAT IS ONE OF THE MOST INTELLIGENT THINGS
4 I'VE HEARD SAID. WE HAVE SO MANY PEOPLE NOW THAT ARE
5 PUSHING THINGS. AND FOR THOSE THAT ARE WILLING TO GET UP
6 AND STATE THE FACTS AND EXPOSE THEMSELVES ARE BEING
7 CASTIGATED REGULARLY BECAUSE IT SEEMS LIKE WE HAVE AN
8 ELEMENT OUT THERE THAT DOES NOT WANT TO ADDRESS THE FACTS
9 AT ALL, BUT THEY WANT TO HAVE THEIR OWN WAY FOR WHATEVER
10 REASON AND ELIMINATE PEOPLE FROM ANY AUTHORITY THAT DO
11 KNOW THE FACTS AND ARE NOT AFRAID TO GET UP AND STATE
12 THEM. SO I WANT TO REALLY COMPLIMENT YOU.

13 MR. POWERS: THANK YOU. I THINK IT'S IMPORTANT
14 THAT WE STOP THE SEARCH FOR VILLAINS AND RECOGNIZE THAT
15 WE'RE ALL A PART OF THE PROBLEM. WORKING TOGETHER, WE
16 CAN SOLVE IT.

17 WHAT WE USE, WITHOUT THROWING IN A BUNCH OF
18 BEHAVIORAL JARGON, IS A VERY SIMPLE BUSINESS CONCEPT AND
19 USED IN GOVERNMENT. YOU GET THE FACTS BEFORE YOU,
20 INVOLVE THE PEOPLE IN A PLAN OF ACTION THAT'S RESULTS
21 ORIENTED, AND THEN YOU GIVE THEM THE PAT ON THE BACK, THE
22 POSITIVE REINFORCEMENT THAT THEY NEED. AS I SAY, IT'S
23 BEEN WORKING FOR US VERY EFFECTIVELY IN CHANGING
24 LITTERING BEHAVIOR. THAT'S THE ESSENCE OF OUR SYSTEM.
25 IT ISN'T WAITING TILL IT'S ON THE GROUND. IT'S TRYING TO

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1 PREVENT IT, CAUSING PEOPLE TO THINK INWARDLY ABOUT THE
2 SOLVING THAT PROBLEM AND SETTING AN EXAMPLE. WHY CAN'T
3 WE APPLY THE SAME CONCEPT IN DEALING WITH A MUCH BIGGER
4 PROBLEM OF SOLID WASTE DISPOSAL?

5 BOARD MEMBER MOSCONE: MR. CHAIRMAN.

6 CHAIRMAN GALLAGHER: YES.

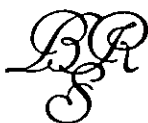
7 BOARD MEMBER MOSCONE: MR. POWERS, I, TOO,
8 WOULD LIKE TO EXPRESS MY CONGRATULATIONS AND EVERYTHING
9 THAT GOES WITH IT AS I HAVE NOT HAD THE OPPORTUNITY TO
10 READ THIS OVERVIEW. OF COURSE, KAB IS NOT A NEW THING
11 WITH THIS BOARD, BUT I DO WANT TO COMPLIMENT YOU IN DOING
12 SOMETHING LIKE THIS BECAUSE, UNFORTUNATELY, THERE ARE TOO
13 MANY ORGANIZATIONS WHO, IN THEIR TITLES OR WHATEVER, ARE
14 TELLING YOU THAT THEY'RE DOING ALL OF THIS, BUT THEY'RE
15 CONFINING ALL OF THEIR EFFORTS TO POLITICS AND NOT TO
16 STUFF LIKE THIS. I THINK THIS IS GREAT.

17 MR. POWERS: THANK YOU. THAT IS A PRODUCT,
18 INCIDENTALLY, OF A LOT OF RESEARCH AND AVAILING OURSELVES
19 OF THE RESOURCES OF A LOT OF ORGANIZATIONS. WE DIDN'T
20 SIT IN OUR OFFICES AND PUT THAT TOGETHER OUT OF INSIGHT
21 OR EVEN EXPERIENCE. WE'VE HAD A LOT OF HELP PUTTING THAT
22 TOGETHER, AND I THINK IT'S RIGHT TODAY THE ONLY
23 PUBLICATION WHERE YOU CAN FIND IN ONE SPOT, IN LAY TERMS,
24 THAT LAYING OUT OF THE INTEGRATED SYSTEM. SO WE'RE KIND
25 OF PLEASED.

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1 CHAIRMAN GALLAGHER: MR. BEAUTROW.

2 BOARD MEMBER BEAUTROW: YOU MENTIONED DURING
3 YOUR TALK ABOUT DESIGNATING THE ENTIRE STATE. MAYBE I
4 CAN ASK JOHN, HOW COULD WE DO THAT? HOW COULD WE GET
5 THIS MOVING IN WHATEVER MECHANISM THAT WE ARE ABLE TO
6 ELICIT? HOW COULD WE DO THAT?

7 MR. POWERS: I MENTIONED THIS TO GEORGE.
8 INCIDENTALLY, I SHOULD MENTION TO ALL THESE PEOPLE AND
9 ALL OF YOU HOW PROUD THAT GEORGE EOWAN IS ON OUR BOARD.
10 I MEAN SINCERELY, GEORGE, ALL KIDDING ASIDE. THAT'S A
11 CONSIDERATION FOR US.

12 WITH GEORGE'S LEADERSHIP AND SERVING ON OUR
13 BOARD, WHY NOT DESIGNATE CALIFORNIA AS A KAB SYSTEM
14 STATE? IT SIMPLY MEANS THAT THIS BOARD WOULD MAKE THAT
15 DESIGNATION. THAT THERE WOULD BE A PERSON PERHAPS IN
16 GEORGE'S OFFICE THAT WOULD BE IDENTIFIED AS THE STATE
17 COORDINATOR FOR THE EXPANSION OF THE KAB SYSTEM, AND
18 WORKING WITH KAB AND TRAINING -- IDENTIFYING COMMUNITIES
19 TO COME IN, TRAINING THEM, MONITORING, AND PROVIDING
20 NECESSARY FIELD COUNSEL, AND FROM TIME TO TIME HOLDING
21 SERIES OF MEETINGS WITH COORDINATORS WITHIN THE
22 CALIFORNIA SYSTEM. EVERY ONE OF THE KAB SYSTEM
23 COMMUNITIES HAS A PAID COORDINATOR, PAID AT THE LOCAL
24 LEVEL, WHO RUNS THAT PROGRAM DAY IN AND DAY OUT, THE ARMS
25 AND LEGS, THE LIAISON WITH THE BOARDS OF DIRECTORS AND

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1 THE WORKING SUBCOMMITTEES.

2 THAT'S WHAT WE NEED AND A BUDGET. I MEAN,
3 THERE HAS TO BE SOME DOLLARS APPLIED TO THIS. YOU KNOW,
4 WE'RE SAYING WE DON'T NEED BIG DOLLARS. WE DID THAT FOR
5 20 YEARS, THREW DOLLARS AT THE PROBLEM, AND THAT IN
6 ITSELF DOESN'T DO IT. YOU NEED THE INVOLVEMENT, THE
7 PLANNING, THE SYSTEM THAT WE OFFER TO GIVE CONTINUITY TO
8 CHANGING THE ATTITUDE. WE NEED A BUDGET TO ENABLE THAT
9 FOR A COORDINATOR'S OFFICE AND, AS I SAY, PERHAPS IN
10 GEORGE'S OFFICE.

11 I HAVE TO TELL YOU I DID MENTION THIS TO
12 GEORGE, AND I KNOW IT'S NOT PLANTED. I DID WANT TO BRING
13 IT OUT THIS MORNING, AND I DO HOPE YOU WILL GIVE THAT
14 CONSIDERATION. WE'RE NOT TALKING ABOUT BIG DOLLARS.
15 WE'RE NOT TALKING ABOUT A BIG STAFF, BUT WE ARE TALKING
16 ABOUT TARGETING ACTION FOR THE SYSTEM FOR LITTER
17 PREVENTION, RECYCLING, AND EDUCATION IN THE SOLID WASTE
18 AREA.

19 BOARD MEMBER BEAUTROW: TO CARRY THIS FORWARD,
20 MAYBE IT'S APPROPRIATE THAT GEORGE WOULD BRING THIS BACK
21 AS AN AGENDA FOR ACTION WITH WHATEVER RESOLUTIONS OR PLAN
22 THAT COULD BE ACTED UPON AT THE NEXT MEETING.

23 MR. EOWAN: I WOULD APPRECIATE THAT DIRECTION,
24 AND WE HAVE BEEN WORKING ON THIS WITH KAB FOR A NUMBER OF
25 WEEKS, MONTHS NOW. AND I THINK WE'RE READY TO PRESENT

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1 SOMETHING THAT I THINK WILL BE REPRESENTATIVE OF WHAT
2 CALIFORNIA IS INVOLVED WITH. AND ONE OF THE THINGS THAT
3 WE'RE TRYING TO DO IS MAKE SURE THAT ALL OF THE ISSUES
4 ARE COVERED WITH THE VARIOUS STATE AGENCIES.

5 OUR THINKING NOW IS THAT WE'LL PROBABLY
6 WANT TO INVOLVE AGENCIES LIKE CALTRANS, FOR EXAMPLE, AND
7 PARKS DEPARTMENT WHO HAVE SIGNIFICANT RESPONSIBILITIES IN
8 LITTER TO MAKE SURE THAT WE'RE COVERING ALL OF THE
9 IMPORTANT MISSIONS THAT KAB IS INVOLVED WITH SO THAT WE
10 DO A GOOD JOB. I THINK WE CAN PUT SOMETHING TOGETHER FOR
11 YOU TO CONSIDER AS FAR AS A STAFFING DIRECTION TO FULFILL
12 THE REQUIREMENTS THAT KAB HAS.

13 CHAIRMAN GALLAGHER: THANK YOU, GEORGE.

14 ROGER, I'M SURE YOU CAN SEE BY THE
15 SPONTANEOUS ENTHUSIASM OF THIS BOARD THAT THEY WELCOME
16 YOU INTO THE DILEMMA, AND I'LL TELL YOU WE'LL BE WAITING
17 FOR GEORGE TO COME BACK TO US WITH A POSITIVE
18 RECOMMENDATION.

19 MR. POWERS: THANK YOU.

20 CHAIRMAN GALLAGHER: THANK YOU FOR COMING OUT.

21 WE'RE NOW READY, I ASSUME, MR. EOWAN, TO
22 ATTACK 1(B).

23 MR. EOWAN: GIVE IT A GO.

24 MR. ORR: THANK YOU, MR. CHAIRMAN AND BOARD
25 MEMBERS.

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1 THIS SECOND ASPECT OF ITEM 1, ITEM 1(B)
2 WILL UPDATE YOU IN TERMS OF WHAT'S BEEN GOING ON OVER THE
3 LAST SEVERAL MONTHS WITH THE OTHER COMPONENTS OF WHAT
4 WILL BE CONSIDERED FOR EMERGENCY REGULATIONS UNDER AB
5 2448.

6 TO GIVE YOU A LITTLE BACKGROUND, WE HAD
7 SEVERAL MEETINGS, I THINK IT WAS AT THE JANUARY AND
8 FEBRUARY BOARD MEETINGS, WHERE WE CONSIDERED A DRAFT BY
9 STAFF OF REGULATIONS FOR THE UNIFORM STANDARDS FOR
10 CLOSURE AND POSTCLOSURE MAINTENANCE. AND THEN IN
11 FEBRUARY WE CONSIDERED THE APPROVAL PROCESS THAT
12 REFLECTED INCORPORATION OF THE RECOMMENDATIONS OF THE
13 SOLID WASTE CLEANUP AND MAINTENANCE ADVISORY COMMITTEE
14 FOR THE CLOSURE AND POSTCLOSURE MAINTENANCE PLANS.

15 ON FEBRUARY 7TH, IN THE MIDDLE OF THOSE TWO
16 MEETINGS, WE MADE A MAILING TO ALL SOLID WASTE LANDFILL
17 OPERATORS, TO ALL LOCAL ENFORCEMENT AGENCIES, AND TO OUR
18 MAILING LIST OF OTHER INTERESTED PARTIES, WHICH INCLUDES
19 OTHER REGULATING AGENCIES, SUCH AS ALL OF THE REGIONAL
20 WATER BOARDS, STATE BOARD, ALL OF THE MEMBERS OF THE
21 SOLID WASTE CLEANUP AND MAINTENANCE ADVISORY COMMITTEE,
22 AND VARIOUS CONSULTANTS, AND OTHER PARTIES THAT HAVE
23 CONTACTED US ABOUT BEING INCLUDED.

24 WE PUT THOSE REGULATIONS OUT FOR COMMENT.
25 WE INITIALLY ASKED FOR THOSE COMMENTS TO BE RECEIVED

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1 FEBRUARY 28TH. WHEN IT BECAME APPARENT TO US IT WAS
2 TAKING AWHILE FOR US TO RECEIVE THE COMMENTS, WE FORMALLY
3 EXTENDED THE TIME TO THE MIDDLE OF MARCH TO RECEIVE
4 COMMENTS. WE'VE RECEIVED, AT THIS POINT IN TIME, 26 --
5 NOW IT'S 27 SETS OF COMMENTS. WE RECEIVED AN ADDITIONAL
6 SET OF COMMENTS YESTERDAY.

7 WHAT WE PLANNED TO DO IS GO THROUGH THE
8 COMMENTS TO GIVE YOU AN IDEA OF THE NATURE OF THE
9 CONCERNS AND THE SUGGESTIONS THAT HAVE BEEN MADE BY THE
10 COMMENTERS IN REVIEWING THE DRAFT REGULATIONS THAT WERE
11 RECEIVED. AND THE WAY WE'D LIKE TO DO THAT IS WE'VE
12 PREPARED DISCUSSION OF SOME OF THE MAJOR POLICY TYPES OF
13 COMMENTS THAT HAVE BEEN RECEIVED FOR CONSIDERATION AT
14 TODAY'S MEETING, AND THEN NEXT MONTH WE'LL BE PLANNING ON
15 BRINGING YOU A MORE DETAILED DISCUSSION OF THE INDIVIDUAL
16 POINTS THAT SHOULD INDICATE ONE OF TWO THINGS.

17 IT SHOULD, I THINK, SHOW AN INCORPORATED
18 CHANGE IN THE DRAFT REGULATIONS TO REFLECT THE COMMENT
19 THAT WE RECEIVED OR FOR OUR RESPONSE AS TO WHY WE DIDN'T
20 MAKE A CHANGE, EITHER THAT WE HAD ALREADY ACCOMMODATED
21 THAT SITUATION IN THE REGULATION OR THAT WE HAD GIVEN
22 THOUGHT TO THAT, BUT FOR WHATEVER REASON, THAT CHANGE WAS
23 NOT MADE. AND SO WE'VE PREPARED A FORMAT WHERE WE'LL BE
24 LISTING THE COMMENTS THAT ARE RECEIVED, AND THEN THE
25 STAFF'S RESPONSE TO THAT, INDICATING ONE OF THOSE TWO

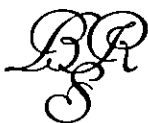
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1 THINGS.

2 NOW, ON TODAY'S DISCUSSION, LIKE I
3 MENTIONED, WE'RE GOING TO BE LOOKING AT JUST THE VERY
4 BROAD AREAS THAT WERE IDENTIFIED BY BOTH COMMENTERS FROM
5 THE REGULATING AGENCIES, THE LOCAL ENFORCEMENT AGENCIES,
6 WATER BOARDS, AS WELL AS COMMENTS RECEIVED FROM THE
7 OPERATORS AND OTHER INTERESTED PARTIES.

8 IF YOU ARE INTERESTED IN WHO ACTUALLY HAS
9 COMMENTED, THERE'S A LOG OF THE PARTIES THAT COMMENTED ON
10 THE REGS THAT ARE INCLUDED AS AN ATTACHMENT TO THE AGENDA
11 ITEM BEGINNING ON PAGE 44 OF THE BOARD PACKET.

12 WHEN WE PRESENT THE SPECIFIC RESPONSES AT
13 NEXT MONTH'S MEETING, NOT ONLY WILL WE IDENTIFY THE
14 COMMENT, BUT WE'LL ALSO IDENTIFY THE INDIVIDUALS THAT
15 MADE THAT SIMILAR COMMENTS TO ONE ANOTHER AND ADDRESS
16 THEM IN A SYNTHESIZED COMPILED MANNER.

17 THERE ARE SOME VERY MAJOR AREAS THAT WE
18 WILL BE DISCUSSING TODAY, AND THE FIRST OF THOSE HAS TO
19 DO WITH THE RESPECTIVE ROLE OF THE WASTE MANAGEMENT BOARD
20 AND THE LOCAL ENFORCEMENT AGENCIES AS IT PERTAINS TO
21 THESE NEW REGULATIONS. AND A NUMBER OF LOCAL ENFORCEMENT
22 AGENCIES, AS WELL AS A NUMBER OF OPERATORS, HAVE
23 COMMENTED ABOUT THE RESPECTIVE ROLES. THE NATURE OF
24 THE -- THOSE COMMENTS IN GENERAL WOULD BE EITHER THAT
25 THERE IS THE APPREHENSION THAT THERE IS A CHANGE IN THE



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1 RULES BETWEEN THE WASTE MANAGEMENT BOARD AND THE LOCAL
2 ENFORCEMENT AGENCIES AS REFLECTED IN THESE REGULATIONS.

3 AND SORT OF A SEPARATE, BUT RELATED,
4 COMMENT IS THAT IN SOME WAYS THE LOCAL ENFORCEMENT
5 AGENCIES MAY BE IN A BETTER POSITION BECAUSE OF THEIR
6 LOCAL NATURE TO KNOW WHAT'S ACTUALLY GOING ON AT
7 INDIVIDUAL SITES AND MAY BE BETTER PREPARED TO RESPOND TO
8 THE NEEDS IN A CLOSURE PLAN AND SO FORTH.

9 WHAT WE'RE GOING TO COMMENT ON HERE IN
10 GENERAL TODAY IS. MOST SPECIFICALLY, THE DIFFERENCES THAT
11 ARE REFLECTED, IN FACT, IN THE REGULATIONS THAT WE PUT
12 OUT FOR DISTRIBUTION BECAUSE THERE WAS, IN FACT, A
13 DIFFERENT STRUCTURE THAT'S IDENTIFIED IN THE LEGISLATION
14 THAT REQUIRES THESE CLOSURE PLANS.

15 I THINK THE KEY TO THAT IS THE DIFFERENCE
16 BETWEEN AN OPERATOR GETTING A SOLID WASTE FACILITIES
17 PERMIT, THAT WE'VE BEEN DOING FOR YEARS, AND WHAT THE LAW
18 NOW WILL REQUIRE IN TERMS OF APPROVING OF CLOSURE PLANS.

19 NOW, WHAT THE LAW REQUIRES IN TERMS OF THE
20 PERMITS IS THAT THEY ARE LOCALLY WRITTEN PERMITS THAT ARE
21 APPROVED BY THE LOCAL ENFORCEMENT AGENCY AND THE BOARD
22 CONCURS IN THAT PERMIT. NOW, THE DIFFERENCE WITH THAT
23 AND THE CLOSURE PLAN IS THAT UNDER THE LAW THERE ARE
24 THREE AGENCIES THAT REQUIRE SEPARATE AND DISTINCT
25 APPROVAL OF THAT PLAN UNDER THE EASTIN BILL. THOSE WOULD

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1 INCLUDE THE CALIFORNIA WASTE MANAGEMENT BOARD DIRECTLY,
2 THE LOCAL ENFORCEMENT AGENCY, AND THE REGIONAL WATER
3 BOARD FOR WHERE THAT LANDFILL IS LOCATED. AND SO THAT
4 DOES SET OUT A VERY -- A DIFFERENCE IN THE WAY THINGS
5 HAVE BEEN DONE HISTORICALLY.

6 NOW, THERE COULD BE TWO EXPLANATIONS FOR
7 THAT. I THINK PART OF IT HAS TO DO WITH THESE NEW
8 FINANCIAL ASSURANCE REQUIREMENTS THAT WE JUST DISCUSSED
9 IN THE LAST ITEM, AND THAT THE BOARD IS ULTIMATELY THE
10 PARTY THAT'S TO DETERMINE WHETHER A FINANCIAL MECHANISM
11 IS ACCEPTABLE AND EQUIVALENT AS SPECIFIED UNDER THE LAW.

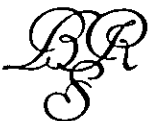
12 NOW, THE FIRST WAY THAT THE BOARD WOULD BE
13 IN THE POSITION TO MAKE A DETERMINATION ON THAT IS
14 THROUGH THE REGULATIONS THAT WE DISCUSSED. NOW, IN THE
15 EVENT THAT THERE ARE SOME SPECIFICS -- SOME VARIATIONS
16 FROM THE REGULATIONS THAT NEED TO BE CONSIDERED, IT'S
17 REALLY THE BOARD THAT IS IN A POSITION TO MAKE A
18 DETERMINATION ON THAT. AND SO THAT MAY BE PART OF THE
19 ANSWER AS TO WHY THE APPROVAL SITUATION IS DIFFERENT FROM
20 THIS VERSUS THE PERMIT PROCESS.

21 NOW, I WENT DOWN AND I ADDRESSED THE EAC
22 MEETING TO UPDATE THEM ON WHAT'S TRANSPIRED REGARDING THE
23 REGULATIONS IN THE PREVIOUS SEVERAL MONTHS. AND WHEN I
24 WAS TALKING TO THEM ABOUT THE DIFFERENCE BETWEEN
25 CONCURRING IN THE PERMIT BY THE BOARD AND APPROVING OF

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1 THE PLAN BY THE BOARD, THERE WAS SOME CONFUSION AS TO
2 WHAT THE DIFFERENCE BETWEEN CONCURRENCE AND APPROVAL IS.
3 THAT -- IN LOOKING IT UP IN THE DICTIONARY, THE
4 DEFINITION FOR CONCUR WOULD TEND TO INDICATE THAT YOU ARE
5 APPROVING OF SOMETHING; AND SO, THEREFORE, WHAT IS THE
6 DIFFERENCE BETWEEN CONCURRING AND APPROVING OF A PLAN?

7 WELL, THE RESPONSE THAT I WOULD HAVE TO
8 THAT, AT THIS POINT, IS THAT IN CONCURRING IN SOMETHING,
9 YOU ARE CONCURRING IN THE FINDINGS OR THE DECISIONS BY
10 THE LOCAL ENFORCEMENT AGENCY IN REGARD TO THE PERMIT.

11 IN APPROVING OF THE PLAN, YOU ARE DIRECTLY
12 ASSESSING THE SUBSTANCE OF THAT PLAN ITSELF AND ARE NOT
13 NECESSARILY CONCURRING IN A LOCAL DECISION.

14 AND SO I THINK THERE IS A DIFFERENCE
15 BETWEEN CONCURRING OR APPROVING OF THE PLAN THAT IS
16 FUNDAMENTAL IN THESE REGULATIONS.

17 NOW, IN TERMS OF HOW WE'VE STRUCTURED THEM,
18 WE HAVE TRIED TO ADHERE AS CLOSELY AS POSSIBLE TO THE
19 INTENT OF THE LAW AS SPELLED OUT IN THE GOVERNMENT CODE
20 FOR THE APPROVAL OF THE PLANS. AND IT HAS INCLUDED BOTH
21 THE APPROVAL PROCESS AND THE STANDARDS THAT WOULD BE PART
22 OF THE APPROVAL OF THE CLOSURE PLANS.

23 NOW, THERE HAVE BEEN SOME ADDITIONAL
24 STANDARDS THAT WE INCLUDED THAT WE FELT WERE NECESSARY TO
25 REVISE, AND I'LL GET INTO THAT IN A COUPLE OF MINUTES,

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1 THAT ARE CURRENTLY OPERATING STANDARDS. AND IN THOSE
2 AREAS WE THINK THAT IT WOULD BE APPROPRIATE TO MAINTAIN
3 THE RELATIONSHIP THAT IS SPECIFIED UNDER THE PERMIT
4 PROCESS WITH THE BOARD CONCURRING IN THOSE TYPES OF
5 FINDINGS. AND WE'LL BE TALKING ABOUT THAT IN MORE DETAIL
6 WHEN WE BRING THOSE COMMENTS TO YOU NEXT MONTH.

7 NOW, IN TERMS OF SOME OF THE RELATED ISSUES
8 THERE, PROBABLY ONE OF THE MOST IMPORTANT IS THE ISSUE OF
9 CEQA OR REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY
10 ACT. NOW, ONE OF THE THINGS THAT WE HAVE BEEN LOOKING
11 INTO AT THE STAFF LEVEL HAS BEEN HOW THIS CLOSURE PLAN
12 APPROVAL PROCESS MAY BE CONSIDERED AS AN EQUIVALENT
13 PROCESS UNDER THE CEQA ACT. AND ONE OF THE THINGS THAT
14 WE FOUND OUT IS THAT IN ORDER FOR THIS TO BE A
15 POSSIBILITY, A STATE AGENCY HAS TO BE THE LEAD AGENCY IN
16 APPROVING THE PLANS.

17 AND SO ONE OTHER POSSIBILITY THAT WE MAY
18 TURN INTO AN ADVANTAGE IS THAT THESE PLANS MAY NOT HAVE
19 TO GO THROUGH A SEPARATE CEQA PROCESS IF WE ARE ABLE TO
20 GET THE APPROVAL FROM THE RESOURCES AGENCY THROUGH THEIR
21 PROCESS FOR DETERMINING EQUIVALENT PROGRAMS.

22 NOW, THIS, AGAIN, WOULD BE VERY DIFFERENT
23 FROM THE PERMIT PROCESS THAT IS LOCALLY ADMINISTERED, AND
24 THERE HAS BEEN SOME DISCUSSION AT THE ENFORCEMENT
25 ADVISORY COUNCIL AND OTHER FORUMS ABOUT THE POSSIBILITY

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1 OF HAVING THE PERMITS ALSO WITH CEQA EQUIVALENTS. THAT
2 MAY BE A VIABLE ISSUE ALSO FOR THAT PROCESS. BUT ONE OF
3 THE THINGS THAT WE FOUND IN DISCUSSING THIS WITH THE
4 RESOURCES AGENCY IS USUALLY WHEN A PROGRAM IS CONSIDERED
5 CEQA EQUIVALENT, IT'S ONLY FOR A SMALL COMPONENT, NOT THE
6 ENTIRE ACTIVITIES OF THAT AGENCY.

7 SO, FOR EXAMPLE, THE REGIONAL WATER BOARD'S
8 WASTE DISCHARGE REQUIREMENTS MAY BE A CEQA EQUIVALENT
9 PROGRAM, BUT THAT DOESN'T MEAN THAT EVERYTHING ELSE THAT
10 THE WATER BOARDS DO WOULD ALSO BE A CEQA EQUIVALENT
11 PROGRAM. SO WE WOULD BE LOOKING AT -- AT LEAST PURSUING
12 THIS AREA OF THE PROGRAM AS A CEQA EQUIVALENT PROGRAM,
13 AND WE'LL HAVE MORE TO SAY ABOUT THAT IN COMING MONTHS.

14 NOW, I'D LIKE TO EMPHASIZE THAT WHAT WE'RE
15 BRINGING TO YOU HERE TODAY ARE ISSUES THAT WERE RAISED BY
16 THESE 26 COMMENTERS, THEY'RE NOT ONES THAT WE'VE
17 INITIATED. AND I THINK THIS IS IMPORTANT BECAUSE AS WE
18 GO INTO THE FORMAL RULEMAKING PROCESS, WE'LL BE NEEDING
19 TO RESPOND IN THAT MANNER OR EVEN MAYBE A MORE STRINGENT
20 MANNER TO ALL OF THE COMMENTS THAT WE RECEIVED TO MAKE
21 SURE THAT WE'VE ADDRESSED ALL OF THEM. I THINK THAT THIS
22 WILL PROVIDE A GOOD EXERCISE TO SHOW WHAT ACTUALLY WILL
23 BE INVOLVED, NOT FOR THE EMERGENCY REGULATIONS THAT WE'LL
24 BE BRINGING TO YOU FOR CONSIDERATION IN JUNE; BUT WHEN WE
25 ENTER INTO THE FORMAL RULEMAKING PROCESS, THE TYPE OF

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1 EXERCISE THAT WE'LL BE GOING THROUGH TO MAKE SURE THAT WE
2 EITHER ACCOMMODATE OR RESPOND TO ALL OF THE COMMENTS THAT
3 WE RECEIVED.

4 NOW, AN EXAMPLE OF THAT --

5 CHAIRMAN GALLAGHER: EXCUSE ME, BILL, BEFORE YOU
6 YOU GO ANY FURTHER. IN GOING THROUGH HERE AND LOOKING AT
7 THE COMMENTS THAT HAVE BEEN MADE TO QUESTIONS RAISED, I
8 COULD NOT FIND ANY THAT REFERENCED ANOTHER REQUEST THAT
9 WE HAVE HAD; AND, THAT IS, CERTIFICATION OF LEA'S. WE
10 HAVE A LETTER -- MEMBERS OF THE BOARD TODAY HAVE A LETTER
11 FROM THIS CALIFORNIA CONFERENCE OF DIRECTORS OF
12 ENVIRONMENTAL HEALTH, WHO, I GUESS, PLAY A BIG ROLE IN
13 THE LEA SITUATION, ASKING THAT THAT BE INCLUDED AMONGST
14 THE COMMENTS AND THAT THE BOARD NOT MAKE ANY FINAL
15 DECISION UNTIL AFTER WE HAVE HAD AN AOPPORTUNITY AT THE
16 LOCAL LEA LEVEL TO DISCUSS THESE REGULATIONS.

17 SO WILL YOU PLEASE KEEP THAT IN MIND? I'D
18 BE HAPPY TO PASS ON A COPY OF THIS LETTER IF YOU HAVE NOT
19 RECEIVED ONE. IT DOES NOT SHOW WHETHER OR NOT YOU HAVE,
20 SO IT SHOULD BE ONE THAT WE TAKE INTO ACCOUNT.

21 MR. EOWAN: WE JUST RECEIVED THAT THIS MORNING.
22 BUT I CAN ASSURE YOU THAT IN OUR PURSUIT OF THAT IDEA,
23 WE'RE GOING TO HAVE A LOT OF DISCUSSIONS WITH STAFF, WITH
24 YOU. THAT'S NOT SOMETHING WE WANT TO RAMROD.

25 CHAIRMAN GALLAGHER: I WANTED THAT IN THE RECORD



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1 WHILE WE'RE HERE.

2 MR. ORR: I THINK THAT THAT HIGHLIGHTS WHAT I
3 WAS JUST INDICATING, THAT WHAT WE BROUGHT TO YOU TODAY
4 ARE NOT COMMENTS THAT WE INITIATED, BUT WERE ONES THAT
5 WERE BROUGHT TO OUR ATTENTION AS POSSIBILITIES.

6 NOW, ONE OF THE ISSUE REGARDING
7 CERTIFICATION OF THE LEA IS THE COMMENT THAT I WANTED TO
8 GET TO NEXT. AND AS I MENTIONED, I ADDRESSED THE
9 ENFORCEMENT ADVISORY COUNCIL AT THEIR MEETING LAST WEEK
10 DOWN IN ORANGE COUNTY. AND DURING THE COURSE OF THAT
11 STATUS REPORT AND UPDATE, WE DID DISCUSS VARIOUS
12 POSSIBILITIES FOR THE LEA ROLE IN REGARD TO CERTIFICATION
13 AS ONE OPTION FOR THE ROLE OF THE LEA'S IN THIS PROCESS.
14 AND LIKE I SAID, THIS ISN'T AN AREA THAT WE INITIATED.
15 IT WAS ACTUALLY CONTAINED IN THE COMMENTS THAT WE
16 RECEIVED FROM LEA'S. AND SO WE BASICALLY TREATED IT AT
17 FACE VALUE.

18 NOW, IN DISCUSSION WITH THE LOCAL
19 ENFORCEMENT AGENCIES, I -- AT THAT MEETING, THERE'S TWO
20 THINGS THAT I AGREED TO BRING FORWARD ON THEIR BEHALF TO
21 YOU TODAY.

22 THE FIRST IS THAT BASED ON THE INITIAL
23 DISCUSSION, I THINK THAT THERE WAS AN EMPHASIS GIVEN TO
24 HAVING THE LOCAL ENFORCEMENT AGENCIES RECEIVE TECHNICAL
25 ASSISTANCE SO THAT THEY CAN BETTER PERFORM THEIR JOB AND

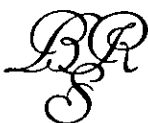
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1 ESPECIALLY IN THE CASE OF, SAY, SMALLER LOCAL ENFORCEMENT
2 AGENCIES THAT MAY NOT HAVE THE TECHNICAL RESOURCES THAT
3 SOME OF THE OTHER LARGER LOCAL ENFORCEMENT AGENCIES HAVE,
4 THAT THERE BE THE ABILITY TO REQUEST TECHNICAL
5 ASSISTANCE.

6 AND PART OF MY RESPONSE INCLUDED IN THE
7 PACKET, I THINK, ADDRESSES THAT ISSUE SPECIFICALLY; BUT
8 ALONG WITH THAT, I THINK THAT THERE'S A DIFFERENCE
9 BETWEEN PROVIDING TECHNICAL ASSISTANCE AND DOING THE JOB
10 OF THE LOCAL ENFORCEMENT AGENCY. AND I THINK THOSE ARE
11 THE FINE-TUNED POINTS REGARDING THE RESPECTIVE ROLES OF
12 THE LEA'S AND THE BOARD THAT WILL HAVE TO BE FURTHER
13 EXAMINED.

14 NOW, THE SECOND THING THAT WAS AGREED UPON
15 AT THE EAC MEETING WAS THAT THE EAC WANTED TO HAVE
16 FURTHER DISCUSSIONS, NOT JUST ABOUT THE CERTIFICATION
17 IDEA, BUT ABOUT THIS WHOLE GENERAL AREA OF THE ROLE OF
18 LEA'S AND SO FORTH IN THESE, AND I BELIEVE THAT IT WAS TO
19 BE INCLUDED AS AN AGENDA ITEM AT THE NEXT EAC MEETING.

20 SO IN THE DISCUSSION TODAY ALL I WANTED TO
21 MENTION IS THAT THIS WAS A COMMENT THAT WAS BROUGHT TO
22 OUR ATTENTION AND THAT WE ARE GIVING CONSIDERATION TO IT
23 AS SUCH.

24 NOW, IN TERMS OF -- I THINK THAT IN
25 ADDITION TO THE ONE COMMENT THAT RAISED THE CERTIFICATION



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1 IDEA, I THINK THE GENERAL CONCERN IS THE BOARD'S
2 OVERSIGHT ROLE IN GENERAL AND PROVIDING ADEQUATE TRAINING
3 AND TECHNICAL ASSISTANCE. AND I DID INCLUDE SOME
4 SPECIFIC ITEMS THERE IN TERMS OF THINGS THAT THE LEA'S
5 CAN DO TO BE QUALIFIED AND IN A POSITION TO APPROVE THE
6 PLANS UNDER THE EASTIN LEGISLATION.

7 THE FIRST ELEMENT OF THAT IS THAT AB 3071,
8 THAT WAS CLEANUP LANGUAGE TO THE EASTIN BILL LAST YEAR,
9 INCLUDED A PROVISIONS WHERE THE LOCAL ENFORCEMENT AGENCY
10 CAN FULLY RECOVER THE COSTS FOR EVALUATING THE CLOSURE
11 AND POSTCLOSURE PLANS SUBMITTED TO THEM. AND SO THAT
12 SHOULD -- THAT WOULD BE DIFFERENT THAN THE LIMITATION ON
13 THE APPLICATION FEE FOR A SOLID WASTE FACILITIES PERMIT,
14 WHICH I BELIEVE IS CURRENTLY \$500.

15 SO IN TERMS OF ONE THING THAT WOULD ENABLE
16 A LOCAL ENFORCEMENT AGENCY TO PROPERLY STAFF AND HAVE THE
17 RESOURCES TO APPROVE THE PLANS WOULD BE THIS PROVISION
18 THAT WAS BUILT INTO LAST YEAR'S LEGISLATION.

19 CHAIRMAN GALLAGHER: MR. VARNER.

20 BOARD MEMBER VARNER: YOU KNOW, THE COMMENT OF
21 THE LOCAL ENFORCEMENT AGENCIES RECOVERING THEIR COSTS,
22 MAYBE I DIDN'T READ THE WHOLE THING, BUT WHO DO THEY
23 RECOVER THESE COSTS FROM?

24 MR. ORR: IT WOULD BE FROM THE OPERATORS THROUGH
25 A FEE CHARGED FOR REVIEWING THE PLANS.



1 THE SECOND ITEM THAT I JUST WANTED TO TOUCH
2 ON BRIEFLY IS THAT THE BOARD CONTRIBUTES TO LOCAL
3 ENFORCEMENT AGENCY TRAINING THROUGH AN ONGOING PROGRAM OF
4 LEA TRAINING WHICH WE'VE HAD A SERIES OVER THE YEARS OF
5 LOCAL ENFORCEMENT TRAINING SEMINARS, AND THAT'S A
6 CONTINUING ACTIVITY THAT'S CURRENTLY GOING FORWARD RIGHT
7 NOW. BUT I THINK IN ADDITION TO THAT GENERAL AREA OF
8 TRAINING, WHEN THESE REGULATIONS GO INTO EFFECT, THERE'S
9 GOING TO BE THE NEED TO HAVE SPECIFIC IMPLEMENTATION
10 TRAINING SESSIONS AVAILABLE TO THE LOCAL ENFORCEMENT
11 AGENCIES SO THAT THEY CAN BECOME FAMILIAR WITH THE
12 REGULATIONS THAT WE'VE DEVELOPED, SO THAT THEY CAN -- SO
13 THAT THEY CAN ADMINISTER THEM IN APPROVING THE PLANS.

14 AND THEN I THINK THAT THE THIRD ELEMENT --
15 CHAIRMAN GALLAGHER: EXCUSE ME, BILL. HAS THAT BEEN
16 PASSED ON TO MR. EOWAN, THAT WE HAVE SOME SPECIAL
17 TRAINING PROGRAMS FOR LEA'S WITH REGARDS TO THESE
18 REGULATIONS, ETC.?

19 MR. EOWAN: YES. I'M AWARE OF THAT, AND WE'RE
20 HOPEFULLY GOING TO BE INCLUDING THAT IN OUR TRAINING.

21 MR. ORR: THEN THE FINAL ELEMENT AND THIS, I
22 THINK, ALSO HIGHLIGHTS THE ACTIVITIES THAT THE BOARD HAS
23 ALREADY ENGAGED IS THE LOCAL ENFORCEMENT EVALUATION
24 PROGRAM THAT WE RECEIVED THE FIRST REPORT OF AT THE LAST
25 MEETING IN MODESTO.

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1 IN TERMS OF THE EVALUATION TO GO ALONG WITH
2 THE RESOURCES AND THE TRAINING, I THINK THAT THIS
3 COMPLETES THE PACKAGE IN TERMS OF WAYS THAT THE BOARD CAN
4 CONTRIBUTE TO THE LOCAL ENFORCEMENT AGENCIES BEING ABLE
5 TO FULLY IMPLEMENT THEIR RESPONSIBILITIES TO APPROVE
6 THESE CLOSURE PLANS.

7 AND I THINK THAT WE'LL BE SEEING MORE ABOUT
8 THAT. AND I THINK THAT THAT -- THE DISCUSSIONS WITH THE
9 ENFORCEMENT ADVISORY COUNCIL AND OTHERS WILL ALSO GIVE A
10 BETTER HANDLE ON MAYBE HOW THIS PARTICULAR ASPECT COULD
11 BE FOLDED INTO THAT ENFORCEMENT EVALUATION PROGRAM.

12 IF THERE AREN'T ANY OTHER COMMENTS ABOUT
13 THOSE -- THAT PARTICULAR GROUP OF ISSUES, I'LL MOVE INTO
14 THE NEXT AREA.

15 THIS SECOND AREA HAS TO DO WITH THE
16 SUGGESTION BY OTHER REGULATORY AGENCIES AND OPERATORS AND
17 LOCAL ENFORCEMENT AGENCIES, AS WELL, THAT FOR SOME REASON
18 OR ANOTHER THE BOARD SHOULD DEFER EITHER DEVELOPING
19 REGULATIONS OR ENFORCING REGULATIONS TO OTHER AGENCIES.
20 AND THESE OTHER AGENCIES WOULD MOST SPECIFICALLY INCLUDE
21 THE REGIONAL WATER QUALITY CONTROL BOARDS AND LOCAL AIR
22 DISTRICTS IN CERTAIN AREAS, AND I'LL BE GOING INTO THOSE
23 INDIVIDUALLY.

24 NOW, THE FIRST, I THINK, BASIC ISSUE HAS TO
25 DO WITH THE AUTHORITY FOR THE BOARD TO ADOPT REGULATIONS.

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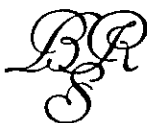
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1 AND THAT -- HOW THAT AUTHORITY IS REALLY NOT IN THE
2 POSITION TO INFRINGE ON THE ABILITY OF ANY OTHER AGENCY
3 TO UTILIZE THEIR OWN STATUTORY AUTHORITY. I THINK ONE OF
4 THE CONCERNS HAS BEEN THAT IF YOU HAVE REGULATIONS IN THE
5 AREA OF GROUNDWATER MONITORING, FOR EXAMPLE, THAT SOMEHOW
6 THAT LIMITS THE ABILITY OF A REGIONAL WATER BOARD TO BE
7 ABLE TO ADMINISTER SUBCHAPTER 15.

8 WELL, THE WAY THAT STATUTES ARE SET UP, YOU
9 MAY HAVE AN OVERLAPPING AUTHORITY WHERE THE WASTE
10 MANAGEMENT BOARD IS SPECIFICALLY GIVEN AUTHORITY TO
11 PROMULGATE STANDARDS FOR THE PROTECTION OF AIR, WATER,
12 AND LAND FROM POLLUTION. THERE IS SOME OVERLAP IN THE
13 STATUTORY AUTHORITY FOR THIS BOARD IN PROMULGATING ITS
14 REGULATIONS WITH SIMILAR KINDS OF AUTHORITIES FOR OTHER
15 AGENCIES; BUT THAT OVERLAPPING AUTHORITY DOES NOT
16 INFRINGE ON ANOTHER AGENCY'S ABILITY TO ADMINISTER THEIR
17 OWN PROGRAM.

18 I THINK THIS IS REEMPHASIZED IN THE EASTIN
19 LEGISLATION PROPER WHERE IT INDICATES THAT ANY STANDARDS
20 THAT THE BOARD PROMULGATES CANNOT INFRINGE ON THE
21 REGIONAL BOARD'S AUTHORITY TO ADOPT CLOSURE AND
22 POSTCLOSURE STANDARDS. SO I THINK IT'S REASONABLY CLEAR
23 THAT THE AUTHORITY FOR ADOPTING REGULATIONS CAN EXIST IN
24 MORE THAN ONE AGENCY, AND THAT GENERALLY EACH OF THESE
25 AGENCIES WILL LOOK AT THAT PARTICULAR AUTHORITY WITHIN

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1 THEIR OWN AREA OF EMPHASIS.

2 NOW, IN THE AREAS OF REGIONAL WATER BOARDS
3 AND STATE BOARD ADOPTING REGULATIONS, THAT WOULD BE IN
4 TERMS OF PROTECTING THE BENEFICIAL USES OF WATERS OF THE
5 STATE. AND I JUST MENTIONED THE SPECIFIC MANDATE IN
6 TERMS OF THE BOARD'S AUTHORITY FOR REGULATIONS.

7 NOW, MORE SPECIFICALLY, IN TERMS OF AB
8 2448, THERE IS A PROVISION THAT INDICATES THAT THE
9 REGULATIONS THAT WE PROMULGATE SHALL NOT DUPLICATE OR
10 CONFLICT WITH SUBCHAPTER 15.

11 AND TO FOLLOW UP ON THAT, WHAT THE STAFF
12 HAS DONE HAS DEVELOPED A SERIES OF CRITERIA THAT EXPAND
13 UPON THAT WHICH WILL BE USED BY THE OFFICE OF
14 ADMINISTRATIVE LAW IN REVIEWING OUR REGULATIONS. AND
15 THOSE SIX CRITERIAS -- WELL, THE SIX CRITERIA THAT OAL
16 USES HAVE TO DO WITH THE AUTHORITY THAT WE'VE DISCUSSED,
17 THE NECESSITY FOR THE REGULATION, THE CLARITY OF THE
18 REGULATION, THAT IT'S A NONDUPLICATION, THAT IT DOESN'T
19 CONFLICT WITH OTHER STATUTES.

20 THE TWO AREAS HERE, SPECIFICALLY, THAT
21 WE'RE LOOKING AT WOULD BE NONDUPLICATION, AND WHAT THE
22 OFFICE OF ADMINISTRATIVE LAW WILL USE IN EVALUATING OUR
23 REGULATIONS AS TO WHETHER THEY DO, IN FACT, DUPLICATE
24 SUBCHAPTER 15 WOULD BE THAT IT REPEATS OR REPHRASES STATE
25 OR FEDERAL STATUTE OR REGULATION, ESSENTIALLY WITHOUT THE

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1 AUTHORIZATION TO DO THAT; HOWEVER, IT IS ALLOWED FOR
2 CLARITY OR IF THERE IS AN OVERLAPPING STATUTORY AUTHORITY
3 AND THAT IS RECOGNIZED.

4 NOW, A SECOND AREA OF DUPLICATION THAT'S
5 REALLY NOT A SPECIFIC LEGAL DEFINITION WOULD BE THE
6 DUPLICATION OF EFFORT ON THE PART OF EITHER THE OPERATORS
7 IN DEVELOPING CLOSURE PLANS AND MEETING THE DIFFERENT
8 STANDARDS THAT ARE DEVELOPED AND ALSO IN TERMS OF THE
9 AGENCIES IN TERMS OF COMMITTING THEIR RESOURCES TO EITHER
10 REVIEW PLANS OR TO ENFORCE STANDARDS OUT IN THE FIELD.

11 AND, IN GENERAL, THE WAY THAT WE'VE
12 ATTEMPTED TO ADDRESS THIS IS, FIRST OF ALL, IN TERMS OF
13 OPERATOR, THAT -- I THINK ONE OF THE ADVANTAGES TO THE
14 EASTIN LEGISLATION IS IT CREATES ONE CLOSURE PLAN AND
15 THAT THERE WILL BE ONE COORDINATED AND COMBINED REVIEW
16 PROCESS OF THOSE CLOSURE PLANS; AND SO, HOPEFULLY, WHEN
17 THE OPERATOR IS REQUIRED TO DEVELOP A CLOSURE PLAN, IT
18 WON'T BE GOING TO THIS AGENCY AND THEN AFTER THAT'S
19 APPROVED, THEN GOING TO THIS AGENCY.

20 I THINK ONE OF THE PROTECTIONS THAT WAS
21 INCLUDED IN THE LEGISLATION WAS THE CREATION OF THE SOLID
22 WASTE CLEANUP AND MAINTENANCE ADVISORY COMMITTEE, AND A
23 NUMBER OF THEIR RECOMMENDATIONS THAT WE'VE BROUGHT TO
24 YOUR ATTENTION BEFORE REGARDING THE COORDINATED REVIEW OF
25 CLOSURE PLAN, I BELIEVE, WILL MINIMIZE THE AMOUNT OF

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1 DUPLICATION OF EFFORT ON THE PART OF THE OPERATOR IN
2 DEVELOPING THESE PLANS.

3 NOW, IN TERMS OF THE COORDINATION OF EFFORT
4 BY THE AGENCIES, I THINK THAT OTHER RECOMMENDATIONS OF
5 THE SOLID CLEANUP AND MAINTENANCE ADVISORY COMMITTEE WILL
6 ALSO SEEK TO MINIMIZE THAT KIND OF DUPLICATION. THAT
7 WOULD INCLUDE THE FACT THAT -- THAT ALL OF THE AGENCIES
8 WITH RESPONSIBILITY IN CLOSURE AND POSTCLOSURE
9 MAINTENANCE WERE REQUESTED TO DESIGNATE A SPECIFIC STAFF
10 PERSON TO WORK WITH US WHILE WE'RE DEVELOPING OUR
11 REGULATIONS TO MAKE SURE THAT THEY'LL MESH AS CLOSELY AS
12 POSSIBLE WITH ALL OF THE OTHER REGULATIONS TO ENSURE THAT
13 ALL STATE AND FEDERAL REQUIREMENTS CAN BE MET.

14 AND AS WELL AS DURING THE ACTUAL
15 DEVELOPMENT OF REGULATIONS, IT'S BUILT INTO THE PROCESS
16 THAT THE AGENCIES WILL BE REQUIRED TO SIT DOWN TOGETHER
17 AND WORK OUT ANY DISCREPANCIES BETWEEN THEIR FINDINGS
18 REGARDING THE CLOSURE PLANS.

19 NOW, IN TERMS OF CONFLICT, THE OAL
20 DEFINITION, THAT'S FOUND IN THE ADMINISTRATIVE PROCEDURES
21 ACT, INDICATES THAT YOUR REGULATIONS HAVE TO BE IN
22 HARMONY WITH AND NOT IN CONFLICT WITH OR CONTRADICTORY TO
23 EXISTING STATUTES, COURT DECISIONS, OR OTHER PROVISIONS
24 OF LAW. AND IN LOOKING AT THIS, WE FIND THAT THAT'S NOT
25 COMMONLY GOING TO BE THE CASE.

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**CERTIFIED
COPY**

**BEFORE THE
CALIFORNIA WASTE MANAGEMENT BOARD
FOR THE STATE OF CALIFORNIA**

**IN THE MATTER OF THE:)
REGULAR MONTHLY BOARD MEETING) PART II
APRIL 20, 1989)
-----)**

DATE AND TIME: THURSDAY, APRIL 20, 1989, 9:00 A.M.

**PLACE: BOARD HEARING ROOM
1020 NINTH STREET
SACRAMENTO, CALIFORNIA**

**REPORTER: BETH C. DRAIN, CSR
CERTIFICATE NO. 7152**

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TELEPHONE (714) 953-4447

1 NOW, IN TERMS OF A CONFLICT, THAT MIGHT
2 MEAN THAT IF OUR CLOSURE PLAN SAYS THAT YOU CAN ONLY
3 SUBMIT THAT PLAN TO THE WASTE MANAGEMENT BOARD ON
4 TUESDAY, AND THE REGIONAL BOARD SAID THAT YOU CAN ONLY
5 SUBMIT YOUR PLAN ON THURSDAY AND NO OTHER DAY, IF SOMEHOW
6 YOU COULDN'T DO BOTH AND STILL COMPLY WITH THE LAW, THAT
7 WOULD BE A CONFLICT.

8 I THINK THE MORE COMMON SITUATION WOULD BE
9 WHERE THERE'S A QUESTION OF STRINGENCY. WHERE IT'S A
10 QUESTION OF WHICH REGULATION MAY APPEAR OR MAY ACTUALLY
11 BE MORE STRINGENT THAN ANOTHER ONE. AND IN THAT CASE,
12 WHETHER IT'S A FEDERAL LAW OR ANOTHER AGENCY'S RULE, THE
13 MORE STRINGENT REGULATION WOULD TAKE PRECEDENT IN THAT
14 CASE.

15 NOW, IN THE CASE OF A REGULATION WHERE IT
16 APPEARED THAT IN NO INSTANCE WOULD THAT REGULATION EVER
17 BE MORE STRINGENT OR EQUALLY STRINGENT TO ANOTHER
18 AGENCY'S REGULATION, THERE WOULD BE LITTLE NECESSITY TO
19 DEVELOP THAT REGULATION IN THE FIRST PLACE BECAUSE IT
20 WOULD NEVER COME INTO PLAY. AND SO BASED ON THE
21 APPLICATION OF THESE TESTS FOR DUPLICATION AND CONFLICT,
22 THE STAFF BELIEVES THAT THERE IS LITTLE INHERENT
23 DUPLICATION OR CONFLICT WITH SUBCHAPTER 15 SPECIFICALLY.
24 AND IN TERMS OF SPECIFIC PROVISIONS WHERE THERE MAY BE
25 SOME OVERLAP OF LANGUAGE OR REPHRASING AND SO FORTH,

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1 WE'LL BE BRINGING THAT TO YOU IN MORE DETAIL NEXT MONTH.

2 BOARD MEMBER BEAUTROW: MR. CHAIRMAN.

3 CHAIRMAN GALLAGHER: MR. BEAUTROW.

4 BOARD MEMBER BEAUTROW: I HAD AN OPPORTUNITY TO
5 REVIEW THIS -- ONE OF THE SUBMITTALS FROM THE L.A.
6 COUNTY SAN DISTRICT. IT WAS ABOUT A QUARTER OF AN INCH
7 THICK, AND TO BE BLUNT ABOUT IT AND I'LL PARAPHRASE IT,
8 YOU GUYS ARE TREADING IN AREAS OF WHICH YOU HAVE NO
9 JURISDICTION OR RESPONSIBILITY. IT WAS KIND -- I FELT IT
10 WAS A BOMBSHELL BECAUSE I'VE NEVER SEEN ANYTHING -- MOST
11 COMMENTS HAVE TO DO WITH -- LET'S CHANGE THIS TO READ
12 THIS. THIS WAS IN THE GENERAL THEME, SIGNED BY GULLEDGE,
13 WAS THAT YOU ARE IMPOSING YOURSELF WITH DETAILS IN AREAS
14 OF WHICH YOU HAVE NO JURISDICTION AND RESPONSIBILITY.

15 YOU RESPOND BY SAYING THE PROPOSED
16 REGULATIONS DID NOT INHERENTLY DUPLICATE OR CONFLICT. I
17 REALLY DON'T SEE THIS SECTION AND THE ONE THAT YOU ARE
18 GOING TO HANDLE NEXT AS BEING RESPONSIVE TO THAT LETTER.
19 HE WENT ON -- IT'S LIKE A QUARTER OF AN INCH THICK --
20 CITING INSTANCE AFTER INSTANCE, VERY SPECIFIC LANGUAGE
21 ABOUT WHERE THERE WAS CONFLICTS. AND YOU'RE NOT -- JUST
22 BY AN OVERALL GENERAL STATEMENT HERE, I DON'T THINK YOU
23 ARE ADEQUATELY RESPONDING TO THAT. OKAY?

24 I MEAN, THIS IS SERIOUS BUSINESS, AND
25 THEY'RE TALKING ABOUT VERY SPECIFIC DETAILS. AND THEY'RE

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1 SAYING, "WHY ARE YOU GUYS GOING OFF?" AND YOUR ANSWER
2 WAS, "WELL, WE CAN MAKE STRICTER REGULATIONS." THEY'RE
3 SAYING, "IF SOMETHING IS NOT BROKEN, DON'T FIX IT." SO I
4 BELIEVE THAT YOU NEED TO RESPOND MORE FULLY TO WHAT THEY
5 WERE SAYING.

6 MR. ORR: WE WILL BE. AND MY STAFF HAS RECEIVED
7 COPIES OF ALL 26 OF THE SETS OF COMMENTS THAT WE
8 RECEIVED, INCLUDING THE L.A. SAN DISTRICT'S COMMENTS.
9 WE'VE BROKEN DOWN INDIVIDUAL POINTS ON EVERY SINGLE
10 COMMENT THAT WE RECEIVED, AND THOSE ARE THE THINGS THAT
11 WILL BE PRESENTED AT NEXT MONTH'S MEETING.

12 THE ISSUE THAT WE WANTED TO TALK ABOUT HERE
13 TODAY HAD MORE TO DO WITH, FIRST OF ALL, THAT WE CAN'T
14 INFRINGE ON THE WATER BOARD'S AUTHORITY. THAT'S -- THAT
15 WE CANNOT DO THAT. OAL WILL NOT ALLOW US TO DO THAT IN
16 ADOPTING REGULATIONS.

17 THE SECOND THING THAT WE WANTED TO TALK
18 ABOUT TODAY WAS THAT REGULATIONS CANNOT INHERENTLY
19 DUPLICATE OR CONFLICT WITH THIS IF YOU HAVE THE AUTHORITY
20 TO WORK IN THAT AREA. AND THAT'S WHY THE GENERAL
21 RESPONSE IS PRESENTED HERE TODAY.

22 NOW, THE AREAS THAT SOMETHING LIKE THAT
23 MAY, IN FACT, OCCUR WOULD BE ON THE SPECIFIC PROVISION
24 LEVEL, AND THAT'S -- WE WILL BE FULLY RESPONDING TO ALL
25 OF THOSE COMMENTS NEXT MONTH.

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1 BOARD MEMBER BEAUTROW: THANK YOU.

2 MR. ORR: THE SECOND AREA WHERE IT WAS SUGGESTED
3 THAT WE DEFER TO OTHER AGENCIES IS IN THE AREA OF
4 LANDFILL GAS MONITORING. AND THAT PARTICULAR COMMENT, I
5 THINK, IS LARGELY BORNE BY THE RECENT DEVELOPMENTS OF
6 WHAT'S CALLED THE SOLID WASTE ASSESSMENT TEST PROGRAM OR
7 THE SWAT PROGRAM THAT REQUIRED SPECIFIC MONITORING
8 ACTIVITIES OF GROUNDWATER AND AIR TO OCCUR FOR SOLID
9 WASTE DISPOSAL SITES. AND THIS IS BEING IMPLEMENTED BY
10 THE AIR DISTRICTS AND IS A REPORTING REQUIREMENT THROUGH
11 THE STATE AIR RESOURCES BOARD TO THE GOVERNOR AND THE
12 LEGISLATURE.

13 NOW, HISTORICALLY, HOWEVER, AGAIN, THE
14 WASTE BOARD HAS BEEN GIVEN THE SPECIFIC AND GENERAL
15 RESPONSIBILITY FOR DEALING WITH HAZARDS ASSOCIATED WITH
16 LANDFILL GAS. AND SO I'D LIKE TO GO THROUGH THAT JUST
17 BRIEFLY.

18 CHAIRMAN GALLAGHER: WHAT PAGE, BILL?

19 MR. ORR: WELL, LET ME SEE. I GUESS I WON'T GO
20 THROUGH IT. I DON'T SEE IT IN HERE RIGHT NOW.

21 CHAIRMAN GALLAGHER: YOU HAVE SOME COMMENTS ON
22 PAGE 49, EXTENT OF EASTIN AUTHORITY.

23 MR. ORR: OKAY. UNDER -- I GUESS THAT WOULD FIT
24 MOST UNDER ITEM NO. 3, THE EXTENT OF THE EASTIN
25 AUTHORITY.

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1 AND, ESSENTIALLY, WHAT THAT WOULD MEAN IS
2 THAT THERE'S BEEN SOME SUGGESTIONS THAT CHANGES TO THE
3 OPERATING MINIMUM STANDARDS THAT WERE INCLUDED WITH THE
4 MAILING THAT WE MADE IN THE BEGINNING OF FEBRUARY EXTEND
5 BEYOND THE AUTHORITY THAT THE BOARD WAS GIVEN TO
6 PROMULGATE STANDARDS FOR CLOSURE AND POSTCLOSURE
7 MAINTENANCE.

8 AND THE TWO AREAS THAT HAVE BEEN MENTIONED
9 WOULD BE GROUNDWATER MONITORING AND LEACHATE COMBINED
10 TOGETHER AND LANDFILL GAS CONTROL. AND, AGAIN, THE IDEA
11 WOULD BE THAT OTHER AGENCIES ARE TAKING CARE OF THOSE
12 THINGS. WHY DO YOU NEED TO PROMULGATE REGULATIONS IN
13 THOSE AREAS?

14 NOW, THIS ACTIVITY THAT WE'VE BEEN ENGAGED
15 IN NOW FOR OVER A YEAR HAS BEEN PART OF AN OVERALL REVIEW
16 AND REVISION TO OUR MINIMUM STANDARDS AND DEVELOPMENT OF
17 NEW CLOSURE STANDARDS FOR THE EASTIN REQUIREMENTS. ONE
18 OF THE THINGS, AS THE STAFF BEGAN TO WORK, BECAME
19 APPARENT TO US IS THAT THERE ARE A LOT OF SITUATIONS THAT
20 ARE IMPORTANT NOT JUST WHEN YOU GET TO CLOSURE, BUT ARE
21 ALSO IMPORTANT WHEN YOU OPEN A LANDFILL AND DURING THE
22 OPERATIONS PHASE OF A LANDFILL AS WELL. AND PROBABLY THE
23 MOST IMPORTANT AREAS ALONG THOSE LINES WOULD BE THE
24 GROUNDWATER MONITORING AND THE LANDFILL GAS MONITORING.

25 NOW, IN SURVEYING THE REGIONAL BOARD'S



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1 WASTE DISCHARGE REQUIREMENTS AND SOME SPECIFIC ONES OF
2 LATE, IT'S BECOME APPARENT TO US THAT THERE ARE A NUMBER
3 OF LANDFILLS AROUND THE STATE THAT DO NOT HAVE ANY
4 GROUNDWATER MONITORING WELLS INSTALLED CURRENTLY; AND,
5 THEREFORE, THEY HAVE NO GROUNDWATER MONITORING PROGRAM
6 THAT'S IN PLACE AND ONGOING.

7 AND IN TERMS OF WHAT WE FELT WAS NECESSARY
8 FOR CLOSURE COSTS WOULD BE THAT EITHER A LANDFILL ALREADY
9 HAS A LANDFILL GAS OR GROUNDWATER MONITORING SYSTEM IN
10 PLACE AND THAT THERE IS A PROGRAM UNDERGOING THAT CAN BE
11 THE BASIS FOR DEVELOPING ITEMIZED COSTS, OR THAT THOSE --
12 THAT THE COSTS FOR INSTALLING THOSE WELLS AND SO FORTH
13 SHOULD ACTUALLY BE INCLUDED IN THE COST ESTIMATES. SO
14 THAT BY THE TIME THE LANDFILL CLOSES, IT WOULD EITHER
15 HAVE THE GROUNDWATER MONITORING ALREADY THERE OR THE
16 MONEY WOULD BE THERE FOR THEM TO IMPLEMENT IT AT THAT
17 TIME. AND THAT'S REALLY THE EXTENT OF THAT WHICH WE
18 THINK IS APPROPRIATE UNDER THE EASTIN LEGISLATION.

19 NOW, THAT DOES NOT REALLY GET INTO THE
20 ISSUE AS TO WHETHER THE BOARD HAS THE AUTHORITY TO ADOPT
21 REGULATIONS UNDER THEIR GENERAL AUTHORITY THAT I
22 MENTIONED PREVIOUSLY FOR LAND, AIR, AND WATER PROTECTION.

23 AND ONE OF THE SPECIFIC DEFICIENCIES THAT
24 WE HAD NOTED IN REVIEWING THE EXISTING CHAPTER 3, MINIMUM
25 STANDARDS, WAS THAT WHEN YOU LOOK AT THE REPORT OF

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1 DISPOSAL SITE INFORMATION, EVERY ELEMENT OF THE REPORT OF
2 DISPOSAL SITE INFORMATION HAS A CORRESPONDING STANDARD IN
3 IT FOR LANDFILL GAS OR FOR LEACHATE CONTROL OR FOR COVER
4 OR WHATEVER. THE ONE AREA THAT THERE WAS NO STANDARD TO
5 ACCOMPANY IT WAS IN THE AREA OF GROUNDWATER MONITORING.

6 NOW, THE REPORT OF DISPOSAL SITE
7 INFORMATION DOES SPECIFICALLY REQUIRE THAT THE REPORT
8 INCLUDE INFORMATION ON GROUNDWATER OCCURRENCES AND
9 GROUNDWATER MONITORING WELLS THAT WOULD BE REQUIRED TO
10 DETERMINE WATER QUALITY, BUT NOWHERE ARE THERE ANY
11 SPECIFICATIONS OR ANY INDICATION AS TO WHERE YOU ARE TO
12 COME UP WITH THAT INFORMATION.

13 AND WHAT WE FOUND IN THE RECEIPT OF THE
14 INITIAL COST ESTIMATES, THAT WE'VE BEEN TALKING ABOUT THE
15 STATUS OF OVER THE LAST SEVERAL MONTHS, IS THAT IF THERE
16 IS NO REQUIREMENT SAYING THAT YOU HAVE TO DO THIS OR YOU
17 HAVE TO CONSIDER THIS OR DEVELOP THIS PROGRAM, IN LOOKING
18 AT THE COSTS, THE OPERATORS ARE NOT GOING TO INCLUDE ANY.
19 IN THE CASE WHERE THERE MAY NOT BE A SPECIFIC REQUIREMENT
20 FOR THEM TO INSTALL GROUNDWATER MONITORING OR LANDFILL
21 GAS, WE'LL SEE ZEROS ON THE COST ESTIMATES. IN TERM OF
22 MEETING WHAT WE THINK IS NECESSARY IN TERMS OF CLOSURE
23 COSTS, THAT EITHER THE SYSTEM BE IN PLACE OR THAT THE
24 MONEY BE THERE, YOU NEED TO HAVE REQUIREMENTS IN ORDER
25 FOR THEM TO COME UP WITH AN ITEMIZED COST FOR THAT ITEM.

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1 THAT ALSO WOULD APPLY TO THE LANDFILL GAS
2 AREA. RIGHT NOW, UNLESS A LOCAL AIR DISTRICT REQUIRES
3 THAT A LANDFILL HAVE LANDFILL GAS MONITORING, IN THOSE
4 CASES WE SEE ZERO AMOUNTS PUT DOWN ON THE INITIAL COST
5 ESTIMATES. THEY MAY HAVE DONE A SWAT REPORT FOR AN AIR
6 DISTRICT, BUT THAT WAS ONLY A ONETIME THING. THERE'S NO
7 ONGOING MONITORING PROGRAM. AND ANOTHER DEFICIENCY THAT
8 WE NOTED IN THE LANDFILL GAS SECTION WAS THAT IT ONLY
9 REQUIRED MONITORING IN THE EVENT THAT THERE WAS REASON TO
10 BELIEVE THAT A SAFETY HAZARD EXISTS. AND THE STAFF'S
11 CONCLUSION WAS THAT THE BASIS FOR DETERMINING WHETHER
12 SAFETY HAZARD EXISTS IS MONITORING.

13 SO THOSE ARE THE AREAS THAT WE'VE
14 IDENTIFIED THAT WE FELT WERE NECESSARY TO BRING INTO THAT
15 LEVEL OF DETAIL FOR THE CLOSURE AND POSTCLOSURE
16 REGULATIONS.

17 NOW, THE LAST AREA THAT I'D LIKE TO DISCUSS
18 TODAY HAS TO DO WITH THE OVERREGULATION SPECIFICALLY OF
19 SPECIALTY WASTE-TYPES OF LANDFILLS. THE SPECIFIC GROUP
20 THAT HAS BEEN MOST VOCAL IN THIS HAS BEEN THE WOOD WASTE
21 LANDFILLS, AND THEY CURRENTLY HAVE AN ASSEMBLY BILL IN
22 THE -- THAT'S UNDER CONSIDERATION, THAT'S AB 1010 -- I
23 THINK IT WILL PROBABLY BE DISCUSSED LATER AT THIS
24 MEETING -- TO EXEMPT THEM ALTOGETHER FROM THE CLOSURE AND
25 POSTCLOSURE REQUIREMENTS OF THIS BILL.

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1 NOW, IN TERMS OF WHAT WE'RE LOOKING AT IN
2 OUR REGULATIONS RIGHT NOW, WE'RE IMPLEMENTING -- WE'RE
3 DEVELOPING REGULATIONS TO IMPLEMENT THE EXISTING LAW THAT
4 DOES NOT EXCLUDE THE WOOD WASTE LANDFILLS FROM THIS
5 PROGRAM. HOWEVER, WE DO BELIEVE THAT IT IS APPROPRIATE
6 TO PURSUE CERTAIN VARIATIONS ON THE STANDARDS THAT WOULD
7 TAKE INTO ACCOUNT THE SPECIAL CHARACTERISTICS OF A
8 PARTICULAR WASTESTREAM. AND ONE THING THAT WE HAVE
9 COMMITTED TO IN OUR NEXT DRAFT OF THE REGULATIONS IS
10 MAKING PROVISIONS FOR INDIVIDUAL STANDARDS TO BE WAIVED
11 OR FOR VARIANCES TO BE ISSUED AS WOULD BE APPROPRIATE FOR
12 THE PARTICULAR WASTESTREAM.

13 FOR EXAMPLE, IN THE CASE OF A WOOD WASTE
14 LANDFILL, IF IT'S NOT LIKELY TO PRODUCE LANDFILL GAS IN A
15 QUANTITY THAT MAY POSE A SAFETY HAZARD, THEN IT MAY BE
16 ABLE TO PURSUE A VARIANCE FOR THAT STANDARD. THAT,
17 HOWEVER, WOULD NOT EXCLUDE THEM FROM THE OVERALL
18 REQUIREMENTS TO DEVELOP A CLOSURE PLAN BECAUSE WOOD WASTE
19 LANDFILLS WILL, IN FACT, CLOSE LIKE ANY OTHER LANDFILLS
20 THAT WE CURRENTLY REGULATE, AND THEY WILL ALSO HAVE TO
21 COME UP WITH MONEY TO IMPLEMENT THOSE PLANS.

22 SO AT THIS POINT IN TIME, WE ARE WORKING IN
23 THE REGULATIONS ON VARIATIONS THAT WOULD ACCOUNT FOR THE
24 SPECIAL NATURE OF SOME OF THESE WASTESTREAMS AND FOR
25 OTHER SITE-SPECIFIC CONSIDERATIONS AS WELL, BUT WOULD NOT

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1 EXCLUDE THEM FROM THE OVERALL PROCESS OF SUBMITTING THE
2 PLANS AND FINANCIAL ASSURANCES. THAT IS BEING PURSUED BY
3 THE WOOD WASTE INDUSTRY THROUGH LEGISLATION, HOWEVER.

4 CHAIRMAN GALLAGHER: THANK YOU. MR. MOSCONE.

5 BOARD MEMBER MOSCONE: I AGREE WITH YOUR
6 COMMENTS, BILL, BECAUSE I RECALL THAT SOME YEARS AGO WE
7 DID HAVE SOME PROBLEM WITH SOME OF THESE WOOD WASTE
8 SITES. I DON'T RECALL WHETHER IT WAS WATER OR WHETHER IT
9 WAS THE LEACHATE PROBLEM OR WHATEVER. BUT I KNOW THAT WE
10 DID HAVE SOME PROBLEMS WITH SOME OF THESE SITES. MAYBE
11 IT WAS THE WAY THAT THEY WERE -- THEY WERE OPERATING. I
12 DON'T RECALL. BUT I THINK IT SHOULD BE LOOKED INTO. OR
13 IF VARIANCES ARE NEEDED, IF CERTAIN -- IF THEIR OPERATION
14 PROCEDURES SHOULD BE CHANGED OR WHATEVER, BUT I THINK
15 THAT WE SHOULD NOT LET GO.

16 CHAIRMAN GALLAGHER: ONE QUESTION, BILL, WHILE
17 YOU'VE BEEN INTERRUPTED. COULD I ASK DOES THE
18 LEGISLATION THAT'S BEING CARRIED ON BEHALF OF WOOD WASTE,
19 WOULD THAT INCLUDE SUCH THINGS AS THE SPECIAL LANDFILL
20 FOR -- LIKE FOREST LAWN CEMETERIES AND THINGS LIKE THAT?
21 IF I RECALL, WE HAD TO PERMIT THEM TO HAVE A LANDFILL.

22 MR. ORR: I DON'T BELIEVE THAT THAT CURRENT BILL
23 WOULD INCLUDE THAT. I THINK IT SPECIFICALLY -- AT THIS
24 POINT IT'S A SPECIFIC WOOD WASTE PROVISION. IT'S --
25 BASICALLY, HOW IT'S HANDLED IS IT'S TACKED ONTO THE BACK

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1 END OF A DEFINITION OF A SOLID WASTE LANDFILL, AND IT
2 SAYS SOMETHING TO THE EFFECT THAT ANY LANDFILL THAT
3 EXCLUSIVELY ACCEPTS WOOD WASTE WOULD BE EXCLUDED FROM
4 THAT DEFINITION.

5 CHAIRMAN GALLAGHER: THANK YOU. ARE WE THROUGH
6 NOW?

7 MR. ORR: THAT CONCLUDES THIS MONTH'S REPORT,
8 AND WE'LL BE BRINGING BACK TO YOU THE SPECIFIC COMMENTS
9 AND RESPONSES AT NEXT MONTH'S MEETING.

10 CHAIRMAN GALLAGHER: WE'VE HAD A REQUEST FOR MR.
11 AL MORENO TO MAKE SOME COMMENTS WITH REFERENCE TO 1(B).

12 AL, ARE YOU READY?

13 MR. MORENO: READY AS I'LL EVER BE.

14 MR. GALLAGHER, MEMBERS OF THE BOARD, I'VE
15 BEEN ASKED BY THE DISTRICT TO AGAIN REITERATE THEIR
16 CONCERNS WITH THE -- WHAT THEY FEEL IS DUPLICATION OF
17 REGULATIONS, AS PHIL BEAUTROW POINTED OUT.

18 IF I MAY, LET ME READ JUST THE FIRST
19 PARAGRAPH OF THEIR SUBMITTAL TO THE STAFF:

20 "THE COUNTY SANITATION DISTRICT OF
21 LOS ANGELES ARE PLEASED TO PROVIDE
22 ADDITIONAL COMMENTS ON THE SUBJECT
23 DRAFT REGULATIONS. THESE COMMENTS
24 SUPPLEMENT THE DISTRICT'S INITIAL
25 REVIEW, RESULTS OF WHICH WERE

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1 TRANSMITTED TO THE CALIFORNIA WASTE
2 MANAGEMENT BOARD ON FEBRUARY 28TH. "

3 THIS IS DATED MARCH 31ST.

4 "THE PURPOSE OF THE CURRENT
5 DISCUSSIONS TO ADDRESS THE
6 REGULATIONS -- THE REGULATORY
7 RESPONSIBILITY OF THE CWMD WITH
8 RESPECT TO GROUNDWATER AND AIR
9 MONITORING, TO IDENTIFY DUPLICATION
10 AND CONTRADICTIONS BETWEEN THE
11 DRAFT CWMB REGS AND EXISTING
12 REGULATIONS, INCLUDING CHAPTER
13 SUBCHAPTER 15, AND TO DISCUSS THE
14 SUPERIORITY OF PERFORMANCE STANDARDS
15 OVER PRESCRIPTIVE STANDARDS FOR
16 GROUNDWATER AND AIR MONITORING AND
17 PROVIDE ADDITIONAL TECHNICAL REVIEW
18 ON SPECIFIC SECTIONS OF THE
19 REGULATIONS. "

20 BILL HAS STATED THAT THERE'LL BE A LOT OF
21 THINGS COMING OUT IN THE NEXT DRAFT AND PROBABLY AND
22 HOPEFULLY WILL SATISFY THE DISTRICT, BUT THEY FEEL THAT
23 THESE ARE MORE -- TYPE OF REGULATIONS THAT ARE
24 PRESCRIPTIVE, YOU GOT TO DO THIS, THAT, AND THE OTHER
25 THING, RATHER PERFORMANCE, YOU SHALL MEET THIS, THAT, AND

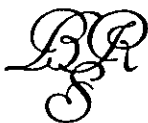
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1 THE OTHER THING.

2 THE SUM TOTAL OF THEIR REAL CONCERN IS THAT
3 THEY HAVE SPENT, AS HAVE OTHERS, MILLIONS OF DOLLARS TO
4 SATISFY THE -- THE SWAT TESTING FOR AIR AND WATER
5 PROBLEMS. THEY'VE SPENT A LOT OF MONEY TO SATISFY THE
6 SUBCHAPTER 15 REQUIREMENTS. AND THEY FEEL THAT THESE
7 REGULATIONS THAT YOU HAVE BEFORE YOU DON'T RECOGNIZE THE
8 FACT THAT A LOT OF THESE THINGS ARE DONE AND ARE BEING
9 DONE.

10 AND ONE OF THE SUGGESTIONS WAS THAT PERHAPS
11 THE BOARD, IN DEVELOPING ITS REGULATIONS, CERTAINLY
12 SHOULD FILL ANY GAPS THAT EXIST IN SUBCHAPTER 15 OR IN
13 THE AIR BOARD REQUIREMENTS AND SHOULD DO SO VERY
14 STRONGLY. BUT IN THE OTHERS, THE SUGGESTION WAS MADE
15 THAT PERHAPS COULD THE BOARD CONSIDER THAT MAYBE A
16 CHECKLIST OF ALL THE THINGS WE'RE TALKING ABOUT,
17 MONITORING WELLS, WHETHER THEY'RE THERE OR NOT, HAVE A
18 CHECKLIST OF ALL THOSE THINGS, AND THEN HAVE A MEMORANDUM
19 OF UNDERSTANDING PERHAPS WITH THE AIR BOARD AND THE WATER
20 BOARD THAT, YOU KNOW, IF ALL THESE THINGS ARE MET, THAT
21 IF THEY'RE HAPPY WITH THE CLOSURE PROBLEMS AND THE PLANS
22 UNDER SUBCHAPTER 15, THAT THAT WOULD SATISFY THE BOARD'S
23 REQUIREMENTS.

24 I THINK IT'S AN EFFORT TO GET AWAY FROM
25 DUPLICATION. ONE OF THE REASONS MANY OF US OPPOSE THE AB

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1 80, THE KILLEA BILL, THAT WOULD HAVE SEPARATED RECYCLING
2 FROM THE BOARD AND HAVE IT UNDER DOC IS BECAUSE OF THE
3 PROBLEM OF HAVING TWO DIFFERENT PLANS AND TWO DIFFERENT
4 AGENCIES, ETC. UNFORTUNATELY, THE LAW ALREADY PROVIDES
5 FOR THREE DIFFERENT AGENCIES FOR MORE IN THE WHOLE SOLID
6 WASTE FIELD; BUT IN DEVELOPING REGULATIONS, WE ARE
7 HOPEFUL THAT PERHAPS WE COULD DO IT WITH MEMORANDUMS OF
8 UNDERSTANDING WITH OTHER AGENCIES RATHER THAN HAVE A
9 WHOLE LIST OF SPECIFIC REQUIREMENTS AGAIN.

10 I, FOR WHAT IT'S WORTH, IT'S A VERBAL
11 CONVERSATION, BUT IN TALKING MS. EASTIN, SHE FELT THAT
12 THAT WOULD BE A VERY LOGICAL APPROACH. WHETHER OR NOT
13 IT'S PERMITTED UNDER THE LAW, I DON'T KNOW, BUT I THINK
14 IN MS. EASTIN'S THINKING, ALL SHE'S INTERESTED IN IS THAT
15 THIS THING IS DONE RIGHT AND THE MONEY IS THERE TO DO IT
16 RIGHT.

17 THOSE ARE THE COMMENTS I HAVE UNLESS YOU
18 HAVE ANY QUESTIONS.

19 BOARD MEMBER VARNER: AL, DO YOU KNOW THAT'S A
20 RATHER BROAD STATEMENT, THAT THIS THING IS DONE RIGHT,
21 YOU KNOW. AND JUST WHAT IN THE WORLD DOES THAT MEAN?

22 MR. MORENO: I MEAN THE WHOLE AREA OF SOLID
23 WASTE IN CALIFORNIA IS PROPERLY SUPERVISED AND
24 ADMINISTERED. THAT'S YOUR RESPONSIBILITY AS IT IS THE
25 WATER BOARD'S AND THE AIR BOARD. ALL WE'RE SAYING, WE

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1 JOIN YOU. WE WANT TO DO IT RIGHT, BUT LET'S TRY AND CUT
2 OUT AS MUCH OF THE PAPERWORK THAT WE CAN AND THE
3 DIFFERENCE IN APPROACHES AND THE DIFFERENCE IN
4 REQUIREMENTS; AND WHERE THERE IS A SATISFACTORY -- DOING
5 IT RIGHT UNDER ONE AGENCY, WHY NOT HAVE A MAU WITH THAT
6 AGENCY, THAT IF THEY'RE SATISFIED, THAT THE BOARD COULD
7 BE SATISFIED AND MAYBE HAVE A CHECKLIST OF THE SPECIFIC
8 THINGS THAT YOU ARE LOOKING FOR. SO THAT IF THEY DON'T
9 CHECK IT OFF, THAT'S AN AREA WHERE YOU WOULD JUMP ON THAT
10 COUNTY OR OPERATOR OR WHATEVER TO MAKE SURE THAT IT'S
11 DONE.

12 BOARD MEMBER VARNER: OKAY. GOOD.

13 CHAIRMAN GALLAGHER: THANK YOU. ANYTHING ELSE?

14 IF I UNDERSTOOD CORRECTLY, YOU INDICATED
15 THAT YOU WERE GOING TO TAKE THIS LETTER FROM THE SAN
16 DISTRICT INTO ACCOUNT, BREAK IT DOWN ITEM BY ITEM. SO
17 I'M SURE, AL, THAT IN THE FINAL ANALYSIS, THERE WILL BE A
18 FULL REVIEW OF WHAT'S BEEN REQUESTED.

19 THANK YOU, BILL. ANYTHING ELSE?

20 WE'D LIKE TO MOVE ON, IF WE CAN, TO ITEM
21 NO. 3.

22 GEORGE, YOU DID WANT TO GO TO THREE?

23 MR. EOWAN: WE DID HAVE A REQUEST, MR. CHAIRMAN,
24 FROM THE PRESENTERS IN PLACER COUNTY TO ACCOMMODATE THEM
25 FOR THIS ITEM TO BE HEARD THIS MORNING.

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1 CHAIRMAN GALLAGHER: MOVE TO ITEM 3.

2 MR. EOWAN: THANK YOU. MR. OLDALL WILL PRESENT
3 IT.

4 MR. OLDALL: MR. CHAIRMAN, THIS IS THE
5 CONSIDERATION OF ACCEPTANCE OF THE PLACER COUNTY SOLID
6 WASTE MANAGEMENT PLAN REVIEW REPORT. AND WHAT I'D LIKE
7 TO POINT OUT HERE IS THIS IS A PROCESS WHERE AT THIS
8 POINT IN TIME THE COUNTY HAS, IN ACCORDANCE WITH OUR
9 STAFF'S RECOMMENDATION, PROPOSED TO REVISE THE COSWMP.
10 OF COURSE, BOARD STAFF CONCURS IN THIS RECOMMENDATION.

11 ONE OF THE MAJOR KEY POINTS THAT WE'D LIKE
12 TO POINT OUT IS THAT, IN ACCORDANCE WITH THE AB 1462
13 REQUIREMENT, THERE IS ADEQUATE DISPOSAL CAPACITY IN
14 EXCESS OF THE EIGHT YEARS.

15 THIS PARTICULAR ITEM DOES COMMENCE ON PAGE
16 87 OF YOUR BOARD PACKET FOR THOSE THAT ARE LEAFING
17 THROUGH IT AT THIS POINT IN TIME.

18 BASICALLY, THE AREAS IN NEED OF REVISION
19 ARE AS OUTLINED ON PAGE 88 OF YOUR BOARD PACKET. THAT
20 COVERS THE FULL SPECTRUM OF ITEMS HERE THAT ARE IN NEED
21 OF REVISION MAINLY BECAUSE OF THE CHANGES THAT HAVE
22 OCCURRED IN PLACER COUNTY, PRIMARILY THE RAPID GROWTH
23 THAT'S OCCURRING IN THAT AREA.

24 THE -- BOTH IDENTIFICATION OF THE SOLID
25 WASTE, THE COLLECTION SYSTEM, THE DISPOSAL AND THE

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1 PROCESSING OF THE WASTES, TOGETHER WITH AN UPDATE IN
2 TERMS OF CLOSURE AND POSTCLOSURE TECHNICAL REQUIREMENTS
3 WILL BE INCLUDED NOW IN THE REVISION, RESOURCE RECOVERY
4 SECTION IS GOING TO BE CAREFULLY LOOKED AT AGAIN, AS
5 WOULD THE ECONOMIC FEASIBILITY DIRECTLY AS A RESULT OF
6 THE AB 2448 CLOSURE AND POSTCLOSURE FINANCIAL
7 REQUIREMENTS, IMPLEMENTATION SCHEDULE, ASBESTOS, SEPTAGE
8 AND SLUDGE, IDENTIFICATION OF THE PROGRAM FOR HOUSEHOLD
9 HAZARDOUS WASTE, WHICH THE COUNTY HAS IDENTIFIED A NEED
10 FOR. IF THEY DIDN'T IDENTIFY THAT NEED, THEY WOULDN'T
11 HAVE TO DO IT. THAT'S ONE OF OUR ISSUES WE CONTINUALLY
12 RUB UP AGAINST.

13 IN PLACER COUNTY'S CASE, THEY HAVE SEEN THE
14 NEED TO IDENTIFY THE HOUSEHOLD HAZARDOUS WASTE AREA. OF
15 COURSE, THEY HAVE TO VERIFY THE AB 1462 REQUIREMENT FOR
16 THE EIGHT YEARS, AND ALSO THE OTHER REQUIREMENT FOR THAT
17 20-PERCENT RECYCLING GOAL.

18 I WOULD LIKE TO INTRODUCE CY ARMSTRONG OF
19 THE BOARD'S LOCAL PLANNING DIVISION, WHO WILL GIVE US A
20 LITTLE BIT OF BACKGROUND ON THE COUNTY ITSELF, DISCUSS
21 THE KINDS OF PROBLEMS THEY'VE HAD IN THE COUNTY, AND WHAT
22 THEY HOPE TO BE CORRECTING WITH THE NEW PLAN REVISION;
23 AND, AS I MENTIONED BEFORE, WE DO HAVE THE PEOPLE FROM
24 PLACER COUNTY HERE.

25 SO, CY, WOULD YOU CONTINUE?



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1 MR. ARMSTRONG: GOOD MORNING, MR. CHAIRMAN,
2 BOARD MEMBERS. MY APOLOGIES. I DIDN'T REALIZE THE
3 AGENDA WAS BEING CHANGED LIKE THIS AGAIN. I APOLOGIZE
4 FOR COMING IN LIKE THIS.

5 PLACER COUNTY IS OUR NEIGHBORING COUNTY TO
6 THE EAST. IT'S A COUNTY OF ABOUT 146,000 PEOPLE. IT HAS
7 SIX INCORPORATED CITIES, WITH AUBURN BEING THE PLACER
8 SEAT. THE COUNTY IS A VERY WELL ORGANIZED COUNTY. THEY
9 HAVE TWO MAIN LANDFILLS, THE EASTERN REGIONAL LANDFILL UP
10 NEAR LAKE TAHOE THAT WAS RECENTLY EXPANDED AND WILL
11 SUFFICE IN DISPOSAL LIMIT FOR MANY YEARS. THE COUNTY
12 ALSO HAS A VERY LARGE LANDFILL NEAR THE TOWN OF LINCOLN.
13 THIS ALSO HAS QUITE A LONG TIME SPAN LEFT FOR DISPOSAL.
14 HOWEVER, THE COUNTY IN THEIR FORESIGHTEDNESS, IS IN THE
15 PROCESS OF PURCHASING A LARGE RANCH NEXT TO THE SITE
16 WHICH WILL ADD ABOUT ANOTHER 35 YEARS.

17 THE COUNTY FEELS IF THEY DON'T GET THIS
18 SITE PRETTY QUICK, WITH ALL THE TERRIFIC GROWTH IN THAT
19 AREA, THEY WILL NEVER BE ABLE TO GET IT. SO I THINK THE
20 COUNTY IS VERY PRUDENT IN DOING THAT.

21 THE COUNTY HAS SUBMITTED THEIR PLAN REVIEW
22 REPORT, INDICATING THAT THERE ARE -- HAVE BEEN SOME
23 CHANGES SINCE THE LAST PLAN WAS APPROVED, AND THEY
24 REALIZE THE NEED FOR REVISING THE PLAN. THE COUNTY HAS
25 ACTUALLY ALREADY HIRED EXTRA STAFF AND IS PROCEEDING WITH

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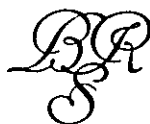
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1 THE PLAN REVISION PROCESS EVEN BEFORE THE BOARD HEARS
2 THIS ITEM.

3 THE CURRENT ISSUE ARE EXPANSION OF THE
4 WESTERN REGIONAL LANDFILL BY SOME 470 ACRES,
5 IMPLEMENTATION OF GAS REMOVAL RECOVERY SYSTEM AT THE
6 WESTERN REGIONAL LANDFILL, IMPLEMENTATION OF A RECYCLING
7 CENTER AT THE WESTERN REGIONAL LANDFILL, PROPER CLOSING
8 OF A SMALL PRIVATE LANDFILL CALLED THE FINGERS LANDFILL,
9 ACCEPTANCE OF ASBESTOS WASTE IS GOING TO BE CHANGED SO
10 THIS CAN BE DONE WITHIN THE COUNTY, DEVELOPING A
11 LONG-TERM DISPOSAL PROGRAM FOR SEPTAGE, AND THE HIRING OF
12 A RECYCLING COORDINATOR TO ASSIST THE COUNTY IN
13 IMPLEMENTATION OF THE RECYCLING GOALS.

14 THERE HAVE BEEN SOME IMPROVEMENTS MADE TO
15 THE SYSTEM IN THE LAST FEW YEARS WHICH ARE WORTH
16 MENTIONING, WHICH IS EXPANSION, AS I MENTIONED, OF THE
17 EASTERN REGIONAL LANDFILL, INSTALLATION OF BACKUP
18 EQUIPMENT THERE, IMPLEMENTATION OF WATER QUALITY
19 MONITORING PROGRAMS, ACQUISITION OF NEW COMPACTION
20 EQUIPMENT, AND IMPLEMENTATION OF A LEACHATE SYSTEM AT THE
21 WESTERN REGIONAL LANDFILL.

22 IN SUMMARY, THE STAFF BELIEVES THAT THE
23 REPORT THAT THE COUNTY HAS SUBMITTED IS ADEQUATE AND
24 ACCURATELY DESCRIBES THE OUTDATED AREAS IN THE PLAN.
25 THEREFORE, STAFF BELIEVES THAT THE BOARD SHOULD APPROVE



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1 THE PLAN REPORT AS SUBMITTED, REQUIRE THE COUNTY TO
2 REVISE THE PLAN IN THE FOLLOWING AREAS, WHICH WOULD BE
3 IDENTIFICATION OF SOLID WASTE COLLECTION SYSTEM, DISPOSAL
4 AND PROCESSING, RESOURCE RECOVERY, ECONOMIC FEASIBILITY,
5 IMPLEMENTATION SCHEDULE, AN ASBESTOS DISPOSAL PROGRAM, A
6 SEWAGE AND SLUDGE DISPOSAL PROGRAM, IDENTIFICATION OF A
7 HOUSEHOLD HAZARDOUS WASTE PROGRAM, AND VERIFICATION OF AT
8 LEAST EIGHT YEARS OF REMAINING CAPACITY AS WELL AS
9 IDENTIFICATION OF A 20-PERCENT RECYCLING GOAL FOR THE
10 COUNTY.

11 THAT CONCLUDES MY PRESENTATION. IF THE
12 BOARD MEMBERS HAVE ANY QUESTIONS OF ME.

13 CHAIRMAN GALLAGHER: ANY QUESTIONS OF MR.
14 ARMSTRONG? MR. MOSCONE.

15 BOARD MEMBER MOSCONE: I THINK THE INFORMATION
16 IS IN HERE. DO YOU SEE ANY PROBLEM WITH THE FINGERS
17 CLOSURE?

18 MR. ARMSTRONG: THE FINGERS LANDFILL CLOSURE,
19 FOR THE EDIFICATION OF NEW BOARD MEMBERS, IS A SMALL
20 PRIVATE LANDFILL AND TRANSFER STATION NEAR ROSEVILLE THAT
21 THE BOARD, THE LEA, AND THE COUNTY HAS HAD SOME PROBLEMS
22 WITH GETTING THE LANDFILL PROPERLY CLOSED. THAT MATTER
23 HAS BEEN NOW REFERRED TO THE ATTORNEY GENERAL FOR HIS
24 ACTION. AS FAR AS ANY FURTHER ACTION ON THAT, I WOULD
25 HAVE TO DEFER TO MR. IWAHIRO, WHO HEADS UP THE

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1 ENFORCEMENT SECTION.

2 MR. IWAHRO: WITH REGARD TO THE LANDFILL, THEY
3 ARE SUPPOSED TO BE CLOSING IT UP, AND SO WE HAVE AN
4 ACTION THAT'S PENDING BEFORE THE ATTORNEY GENERAL'S
5 OFFICE. IN FACT, WE'LL BE MEETING -- WE MET WITH THEM,
6 AND THEY ARE GOING TO PROCEED. THERE'S BEEN -- I REALLY
7 SHOULD NOT TALK ABOUT THAT MUCH MORE THAN THAT BECAUSE OF
8 THE FACT UNDER A FILING OF A SUIT. I BELIEVE THAT WE
9 HAVE A CLOSED SESSION. I BELIEVE THE COUNSEL WOULD BE
10 WILLING TO GO INTO THAT MUCH MORE DETAIL.

11 AS FAR AS THE TRANSFER STATION, IT IS
12 OPERATING. IT'S IN, I THINK, BASICALLY IN COMPLIANCE AND
13 THEY'RE DOING VERY GOOD BUSINESS AS I UNDERSTAND.

14 BOARD MEMBER MOSCONE: THANK YOU.

15 CHAIRMAN GALLAGHER: THANK YOU. ANY FURTHER
16 QUESTIONS OF MR. ARMSTRONG?

17 MR. ARMSTRONG: IF THE BOARD HAS NO FURTHER
18 QUESTIONS WITH ME, WE HAVE SEVERAL PEOPLE FROM PLACER
19 COUNTY IN THE AUDIENCE THIS MORNING, INCLUDING MR. LARRY
20 OTTO, DEPUTY DEPARTMENT OF PUBLIC WORKS DIRECTOR, WHO
21 WOULD LIKE TO MAKE A BRIEF PRESENTATION.

22 LARRY, WILL YOU COME UP, PLEASE?

23 CHAIRMAN GALLAGHER: THANK YOU. GOOD MORNING.
24 WILL YOU IDENTIFY YOURSELF FOR THE RECORD, PLEASE.

25 MR. OTTO: MY NAME IS LARRY OTTO. I'M THE



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1 DEPUTY DIRECTOR OF PLACER COUNTY PUBLIC WORKS. I
2 APPRECIATE THE OPPORTUNITY TO SPEAK BEFORE YOUR BOARD
3 THIS MORNING.

4 I BELIEVE MR. ARMSTRONG HAS PRETTY MUCH
5 CAPPED THE COUNTY'S POSITION ON ITS PRESENT SOLID WASTE
6 MANAGEMENT PLAN. WE'VE TRIED TO REVIEW OUR PLAN, THE
7 EXISTING PLAN, AND PUT IN PLACE A PROPOSED PLAN IN WHICH
8 WE WOULD ADDRESS OUR UPDATED COSWMP.

9 I WON'T GO OVER THE ELEMENTS THAT MR.
10 ARMSTRONG HAS ALREADY DISCUSSED AS FAR AS LOCATION OF OUR
11 LANDFILLS AND WHAT HAVE YOU. I DO WANT TO ADDRESS THE
12 FACT THAT OUR BOARD IS VERY CONCERNED ABOUT LANDFILL
13 CAPACITY AND, AS SUCH, HAS DIRECTED STAFF TO ACQUIRE AN
14 ADDITIONAL 470 ACRES FOR THE WESTERN REGIONAL SITE.

15 I THINK BY OBSERVATION OF THE LENGTH OF THE
16 LIFE LEFT IN THE LANDFILLS, THE BOARD CAN SEE THAT THE
17 COUNTY IS TRYING TO TAKE A POSITION TO ASSURE THAT THERE
18 WILL BE ADEQUATE LANDFILL CAPACITY. THIS CAPACITY IS
19 PRESENTLY BASED ON EXISTING WASTESTREAM, AND WE RECOGNIZE
20 THAT THE LANDFILL CAPACITY CAN BE INCREASED BY, OF
21 COURSE, A COMPREHENSIVE RECYCLING PROGRAM. THIS IS ONE
22 OF OUR MAIN GOALS FOR THE UPCOMING YEAR.

23 WE'VE PRESENTLY AN RFP OUT ON THE STREETS,
24 AND WE HOPE TO RECEIVE A RATHER COMPREHENSIVE PROGRAM AS
25 TO HOW WE CAN DO WASTESTREAM DIVERSION TO NOT ONLY

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1 MINIMIZE THE WASTE GOING INTO THE LANDFILL, BUT ALSO
2 CONSERVE NATURAL RESOURCES.

3 I WANT TO SPEND A MOMENT ON WHAT WE ARE
4 DOING AS FAR AS THE PLAN IS CONCERNED. ALTHOUGH THE
5 BOARD HAS NOT APPROVED THE PROPOSED PLAN, WE FELT THAT IN
6 ORDER TO ASSURE THAT WE MEET THE TIME CONSTRAINTS AND DO
7 AN ADEQUATE JOB, IT WOULD BEHOVE US TO START WELL IN
8 ADVANCE OF THE PROPOSED PLAN ACCEPTANCE. SO IN JANUARY
9 WE SECURED THE SERVICES OF AN INDEPENDENT INDIVIDUAL,
10 MISS BECKY SIRENS, WHO WILL BE DOING THE PLAN UPDATE.
11 THIS IS HER MAIN JOB. SHE WILL BE SPENDING ALL OF HER
12 TIME ON THIS PARTICULAR PROGRAM. SHE'S IN THE PROCESS OF
13 GATHERING DATA NOW, WHICH WE FIND IS ONE OF OUR BIGGEST
14 PROBLEMS. THE INFORMATION IS OUT THERE; IT'S TRYING TO
15 EXTRACT IT FROM PEOPLE IN ORDER TO INTEGRATE IT INTO OUR
16 PLAN.

17 WE BUDGETED APPROXIMATELY \$25,000 FOR THIS.
18 IT SEEMS IN THE PAST WE DID NOT TRACK THE COST. THIS MAY
19 BE HIGH OR MAY BE LOW. IF ADDITIONAL RESOURCES ARE
20 REQUIRED, WE'RE FULLY PREPARED TO PUT WHATEVER RESOURCES
21 ARE REQUIRED TO PREPARE AN ADEQUATE PLAN.

22 WE HAVE A TECHNICAL ADVISORY COMMITTEE
23 THAT'S BEEN ESTABLISHED BY MY DEPARTMENT THAT ADDRESSES
24 ALL THE CITIES THAT ARE IN THE COUNTY. IT ALSO HAS
25 PLANNING COMMISSION STAFF MEMBERS; AND SO, HOPEFULLY, THE

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1 TECHNICAL ADVISORY COMMITTEE CAN PROVIDE THE DIRECTION
2 AND THE REVIEW AND SUPPORT THAT'S NECESSARY FOR A PROPER
3 UPDATE OF THE COSWMP. IT ALSO HAS SOME OF THE
4 INDEPENDENT FRANCHISE OPERATORS IN THE COUNTY IN ORDER TO
5 COVER THOSE ELEMENTS OF THE WASTE ISSUE.

6 AND WE TRY AND MEET WITH THESE PEOPLE, BOTH
7 THE TECHNICAL ADVISORY COMMITTEE AND THE AUTHORS OR THE
8 WRITER OF THE DOCUMENT, ON A WEEKLY OR MONTHLY BASIS TO
9 ASSURE THAT THE PLAN IS MOVING ALONG IN THE PROPER
10 DIRECTION.

11 WE'VE BEEN IN CONSTANT CONTACT WITH MR.
12 ARMSTRONG, AND HE'S BEEN PROVIDING US DIRECTION WHENEVER
13 WE RUN INTO ISSUES OF PROTOCOL.

14 IF THERE'S ANY QUESTIONS I CAN ANSWER FOR
15 YOUR BOARD AT THIS TIME, I'LL BE BE MORE THAN HAPPY TO
16 TRY IT. I ALSO HAVE A STAFF MEMBER HERE, MR. BABBITTS,
17 WHO'S A SENIOR ENGINEER, WHO WILL BE AIDING IN
18 DEVELOPMENT OF THIS PLAN.

19 CHAIRMAN GALLAGHER: THANK YOU, MR. OTTO. ANY
20 QUESTIONS? YES. MR. MOSCONE.

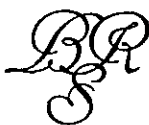
21 BOARD MEMBER MOSCONE: ARE YOU STILL USING THE
22 AUBURN LANDFILL?

23 MR. OTTO: NO. THE AUBURN LANDFILL IS
24 INACTIVATED. WE HAVE AN AUBURN TRANSFER STATION, WHICH
25 TRANSFERS THE WASTE TO THE WESTERN REGIONAL SITE.

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1 CHAIRMAN GALLAGHER: THANK YOU. ANY FURTHER
2 QUESTIONS? THANK YOU VERY MUCH FOR COMING. ANY
3 QUESTIONS FURTHER ON THIS? CAN I HAVE A MOTION?

4 BOARD MEMBER BREMBERG: MR. CHAIRMAN, MOVE
5 RESOLUTION 89-34.

6 BOARD MEMBER VARNER: SECOND.

7 BOARD MEMBER BROWN: SECOND.

8 BOARD MEMBER BEAUTROW: SECOND.

9 CHAIRMAN GALLAGHER: WE HAVE A MOTION AND A
10 SECOND THAT WE ADOPT STAFF RECOMMENDATION AND RESOLUTION
11 89-34. ANY FURTHER DISCUSSION? IF NOT, ALL THOSE IN
12 FAVOR? OPPOSED? CARRIED AND SO ORDERED. THANK YOU, MR.
13 ARMSTRONG, AND THANK YOU, MR. OTTO, FOR COMING.

14 BECAUSE OF THE TIMING, WE'D LIKE TO BREAK
15 FOR LUNCH AT AROUND 12:30. WE'D LIKE TO HEAR ITEM NO. 5,
16 IF WE CAN, RATHER THAN NO. 2.

17 MR. EOWAN: WE'RE READY. GIVE US A NUMBER AND
18 WE RESPOND IMMEDIATELY.

19 MR. OLDALL: MR. CHAIRMAN, MEMBERS OF THE BOARD,
20 AT YOUR DIRECTION, WE WILL MOVE TO AGENDA ITEM NO. 5
21 STARTING ON PAGE 138 OF YOUR BOARD PACKET. THIS IS THE
22 REGULAR MONTHLY ITEM ENTITLED "STATUS OF COUNTY SOLID
23 WASTE MANAGEMENT PLANS." AS USUAL, GEORGE LARSON, THE
24 MANAGER OF THE PLANNING AND RESOURCE CONSERVATION
25 DIVISION, WILL UPDATE THE BOARD.



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1 MR. LARSON: GOOD MORNING, BOARD MEMBERS. WHILE
2 WE DEAL WITH TECHNICAL DIFFICULTIES, I'LL GO ON WITH THE
3 NARRATIVE PRESENTATION ON OUR STATUS OF THE COUNTY SOLID
4 WASTE MANAGEMENT PLANS IN CALIFORNIA.

5 ON PAGE 140 YOU WILL SEE THE KEY ITEMS SOON
6 TO BE PRESENTED ON OUR SLIDE TO INDICATE THAT 52 COUNTY
7 SOLID WASTE MANAGEMENT PLANS ARE CURRENT AND COMPLETE AS
8 OF RIGHT NOW. AS THE BOARD RECALLS, THE SUTTER-YUBA
9 COSWMP REVISION WAS REJECTED IN JANUARY AND WAS GIVEN 120
10 DAYS. THE COUNTY WAS GIVEN 120 DAYS TO RESUBMIT. THAT
11 120-DAY PERIOD WILL BE UP MAY 27TH, AND WE ANTICIPATE
12 THAT THE PLAN WILL BE SUBMITTED IN A TIMELY MANNER.

13 FOUR COUNTY SOLID WASTE MANAGEMENT PLANS
14 ARE DELINQUENT TODAY. AND TO UPDATE INFORMATION
15 PRESENTED ON THE SLIDE, THE DEL NORTE AND SAN MATEO
16 COSWMPS HAVE BEEN RECEIVED BY THE BOARD AND ARE CURRENTLY
17 UNDER REVIEW BY STAFF.

18 THE ORANGE COUNTY COSWMP REVISION WILL BE
19 CONSIDERED BY THE ORANGE COUNTY BOARD OF SUPERVISORS ON
20 THE 26TH OF APRIL AND CIRCULATED TO THE CITIES IN THAT
21 COUNTY. THE COUNTY WILL MAKE ALL EFFORTS TO HAVE AN
22 EXPEDITED REVIEW IN ORDER TO GET THAT IN AT THE EARLIEST
23 POSSIBLE DATE.

24 BRIEFLY TOUCHING ON THE CONTRA COSTA ISSUE,
25 IT WILL BE A SUBJECT OF A SEPARATE AGENDA ITEM TOMORROW

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1 MORNING AT 9 A.M. SO TODAY WE ONLY PROVIDE INFORMATION
2 THAT THE COURT ORDER AGREED TO BY THE ATTORNEY GENERAL
3 AND THE COUNTY REQUIRED SUBMITTAL OF THE COSWMP BY
4 DECEMBER 1ST OF 1989.

5 AS REQUESTED IN PREVIOUS BOARD MEETINGS, WE
6 ARE NOW USING A TECHNIQUE OF HIGHLIGHTING ANY ADDITIONAL
7 CHANGES WHICH YOU WILL BE ABLE TO QUICKLY SCAN OVER THE
8 PAGE 138 AND ENSUING PAGES ON THE COSWMP ITEM TO SEE ANY
9 NEW CHANGES IN THE STATUS OF ALL THE COUNTIES.

10 WITH THAT, THAT'S THE UPDATE, AND I'D BE
11 GLAD TO RESPOND TO ANY QUESTIONS THAT THE BOARD MAY POSE.

12 CHAIRMAN GALLAGHER: THANK YOU, MR. LARSON. ANY
13 QUESTIONS? IT'S AN INFORMATION ITEM ONLY. WE APPRECIATE
14 THE VERY CONCISE AND COMPLETE REPORT. AND THANK YOU AND
15 WE WILL TRY TO MOVE ON.

16 MS. BREMBERG.

17 BOARD MEMBER BREMBERG: EXCUSE ME. WHAT DO YOU
18 HEAR FROM LOS ANGELES COUNTY?

19 MR. LARSON: I WILL TURN THE QUESTION OVER TO
20 MR. JOHN SMITH, WHO WILL BE GOING DOWN TO LOS ANGELES
21 COUNTY TO WORK WITH THAT COUNTY.

22 BOARD MEMBER BREMBERG: BECAUSE IT IS NOW APRIL
23 AND IT'S DUE IN MARCH.

24 MR. SMITH: I WILL BE DOING -- I'LL BE GOING ON
25 A TRIP TO LOS ANGELES NEXT WEEK TO TALK TO THE VARIOUS

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1 PEOPLE INVOLVED IN SOLID WASTE SO I CAN BETTER EVALUATE
2 THE PLAN REVIEW REPORT THAT THEY SUBMITTED. AND THEN
3 WE'LL SCHEDULE THE ACCEPTANCE OF THE PLAN REVIEW REPORT
4 IN THE JUNE MEETING.

5 BOARD MEMBER BREMBERG: WHICH MEETING?

6 MR. SMITH: THE JUNE MEETING. INITIALLY, THE
7 COUNTY HAS COMMITTED TO A NUMBER OF REVISIONS TO THAT
8 PLAN AND THEY'RE PRETTY COMPLETE.

9 BOARD MEMBER BREMBERG: THAT'S WHY I WAS ASKING.

10 MR. EOWAN: THE PROCESS IS UP-TO-DATE SO FAR.

11 BOARD MEMBER BREMBERG: THE PROCESS IS, BUT
12 THERE'S ALL KINDS OF --

13 MR. SMITH: IT'S ALSO A VERY COMPLICATED COUNTY.

14 CHAIRMAN GALLAGHER: THANK YOU AGAIN. ARE WE
15 PREPARED OR IS THE GENTLEMAN LISTED FROM VENTURA
16 COUNTY -- COULD WE MOVE TO ITEM 6 IN DEFERENCE TO HIM SO
17 THAT BEFORE LUNCH HE COULD -- THANK YOU. WE'LL HEAR ITEM
18 NO. 6 THEN.

19 MR. IWAHIRO: MR. CHAIRMAN, THIS IS A
20 DETERMINATION OF CONFORMANCE TO THE COUNTY PLAN AND
21 CONCURRENCE WITH REGARD TO A REVISED OR REVISION OF A
22 SOLID WASTE FACILITIES PERMIT FOR A WASTE PROCESSING
23 FACILITY. WHEN THE STAFF PRESENTS THIS, YOU WILL NOTE
24 THAT WE ARE PROCESSING DRILLING MUD WASTE AS WELL AS
25 CONTEMPLATING THE TREATMENT OF SEWAGE SLUDGE.

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1 I'LL TURN IT OVER TO OUR STAFF, DON DIER
2 AND MARTHA VASQUEZ. SORRY. BERNIE IS OVER THERE, BERNIE
3 VLACH.

4 MS. VASQUEZ: GOOD AFTERNOON. THIS ITEM REGARDS
5 A REVISION OF THE SOLID WASTE FACILITIES PERMIT FOR THE
6 VENVIROTEK/CHEMFX FACILITY. THIS IS AN EXISTING
7 FACILITY LOCATED IN VENTURA COUNTY.

8 THE BOARD MUST CONSIDER DETERMINATION OF
9 CONFORMANCE WITH THE COUNTY SOLID WASTE MANAGEMENT PLAN
10 AND CONCURRENCE IN THE ISSUANCE OF A REVISED SOLID WASTE
11 FACILITIES PERMIT.

12 VENVIROTEK/CHEMFX IS PROPOSING TO INCLUDE
13 MUNICIPAL SEWAGE SLUDGE AS A WASTE COMPONENT IN THE
14 CHEMFX PROCESS. CHEMFX IS A SOLIDIFICATION AND
15 CHEMICAL FIXATION PROCESSING OF NONHAZARDOUS WASTE, WHICH
16 YIELDS SOIL-LIKE SOLID MATERIAL. THE PROCESS INVOLVES
17 MIXING SODIUM SILICATE AND A DRY REAGENT, SUCH AS
18 PORTLAND CEMENT, WITH LIQUID AND SOLID WASTE. THE END
19 PRODUCT IS ALLOWED TO SOLIDIFY AND DEHYDRATE TO A
20 MOISTURE CONTENT OF APPROXIMATELY 50 PERCENT.

21 THE CHEMFX SLUDGE END PRODUCT IS KNOWN AS
22 NATURITE. IT IS INTENDED FOR USE AS COVER MATERIAL AT
23 THE BAILARD LANDFILL. THIS FACILITY IS LOCATED ON A
24 SIX-ACRE COMPOUND WITHIN THE BOUNDARIES OF THE BAILARD
25 LANDFILL. ADDITIONAL EQUIPMENT REQUIRED TO ACCOMMODATE

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1 THE SLUDGE CONSISTS OF UNLOADING HOPPERS AND CONVEYOR
2 BELTS FOR MATERIAL HANDLING AND TRANSPORT.

3 THE FACILITIES USE PERMIT PROHIBITS
4 ACCEPTANCE OF MUNICIPAL SEWAGE SLUDGE FROM JURISDICTIONS
5 OUT OF THE BOUNDARIES OF THE VENTURA COUNTY.

6 THE FACILITY IS CURRENTLY PERMITTED TO
7 PROCESS NONHAZARDOUS WATER-BASED DRILLING MUDS. THE
8 PERMIT WAS ISSUED IN DECEMBER 1987.

9 THE CHEMFIX DRILLING MUD PRODUCT HAS BEEN
10 UTILIZED AS COVER MATERIAL AT COASTAL AND BAILARD
11 LANDFILLS. THIS FACILITY'S USE PERMIT EXPIRES UPON
12 CLOSURE OF THE BAILARD LANDFILL.

13 THERE HAVE BEEN TWO CHANGES MADE IN THE
14 PROPOSED PERMIT THAT WAS INCLUDED IN THE AGENDA PACKET.
15 I WOULD LIKE TO READ THE CHANGES FOR THE RECORD. ITEM U,
16 THE SPECIFICATIONS SECTION, NOW READS: THIS FACILITY HAS
17 A PERMITTED PEAK CAPACITY OF 400,000 GALLON EQUIVALENTS
18 OF WASTE RECEIVED PER OPERATING DAY AND 200,000 GALLON
19 EQUIVALENTS OF WASTE PROCESS PER OPERATING DAY.

20 THIS FACILITY SHALL NOT RECEIVE OR PROCESS
21 MORE THAN THESE AMOUNTS OF WASTE WITHOUT REVISION OF THE
22 SOLID WASTE FACILITIES PERMIT. THIS FACILITY SHALL NOT
23 PROCESS MORE THAN SIX MILLION EQUIVALENTS OF WASTE PER
24 MONTH.

25 THE FACTOR USED TO CONVERT WASTE SOLIDS TO



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1 EQUIVALENT GALLONS IS ONE TON EQUALS 200 GALLONS.

2 ITEM V HAS BEEN ADDED TO THE SPECIFICATIONS
3 SECTION OF THE PERMIT, AND IT READS: THIS FACILITY SHALL
4 NOT RECEIVE MORE THAN 3,000 TONS OF MUNICIPAL SEWAGE
5 SLUDGE PER MONTH.

6 MR. AULT WILL NOW ADDRESS ENVIRONMENTAL
7 REVIEW AND CONFORMANCE FINDINGS.

8 BOARD MEMBER BEAUTROW: WILL YOU SEE THAT WE GET
9 COPIES OF THAT REVISED PAGE, PLEASE?

10 MS. VASQUEZ: YES.

11 MR. AULT: GOOD AFTERNOON, MR. CHAIRMAN AND
12 BOARD MEMBERS.

13 THE CALIFORNIA ENVIRONMENTAL QUALITY ACT
14 REQUIRES THAT THE ENVIRONMENTAL IMPACTS OF ANY PROJECT BE
15 CONSIDERED BY ANY PUBLIC AGENCY WITH DISCRETIONARY
16 AUTHORITY OVER THE PROJECT. BOTH THE DETERMINATION OF
17 CONFORMANCE AND CONCURRENCE IN THE ISSUANCE OF THE SOLID
18 WASTE FACILITIES PERMIT ARE CONSIDERED DISCRETIONARY ACTS
19 UNDER CEQA; THEREFORE, THE THE BOARD MUST REVIEW THE
20 POTENTIAL ENVIRONMENTAL IMPACTS OF THE PROJECT.

21 VENTURA COUNTY PREPARED AN INITIAL STUDY
22 FOR THIS PROJECT IN COMPLIANCE WITH CEQA AND CONCLUDED
23 THE PROJECT COULD NOT HAVE A SIGNIFICANT EFFECT ON THE
24 ENVIRONMENT. THE VENTURA COUNTY PLANNING AGENCY THEN
25 CERTIFIED A NEGATIVE DECLARATION FOR THE PROJECT, WHICH

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1 WAS FILED WITH THE STATE CLEARINGHOUSE.

2 STAFF HAS REVIEWED THE PROJECT AND FOUND
3 THE ENVIRONMENTAL DOCUMENT TO BE APPROPRIATE AND ADEQUATE
4 FOR BOARD USE IN EVALUATING THE PROJECT.

5 WITH REGARD TO THE DETERMINATION OF
6 CONFORMANCE, THE GOVERNMENT CODE REQUIRES THE BOARD TO
7 MAKE A DETERMINATION OF CONFORMANCE WITH THE COUNTY SOLID
8 WASTE MANAGEMENT PLAN PRIOR TO THE ESTABLISHMENT OR
9 EXPANSION OF ANY SOLID WASTE FACILITY.

10 IN ACCORDANCE WITH PROCEDURES, THE PROJECT
11 PROPONENT HAS FILED A NOTICE OF PROPOSED FACILITY WITH
12 OUR BOARD AND WITH THE VENTURA COUNTY WASTE MANAGEMENT
13 DEPARTMENT, THE AGENCY IN CHARGE OF MAINTAINING THE
14 COUNTY SOLID WASTE MANAGEMENT PLAN.

15 THE VENTURA COUNTY WASTE MANAGEMENT
16 DEPARTMENT FOUND THE PROPOSED FACILITY EXPANSION TO BE IN
17 CONFORMANCE WITH THE CURRENT COUNTY SOLID WASTE
18 MANAGEMENT PLAN.

19 BOARD STAFF FINDS THAT ALL THE LOCAL
20 ACTIONS HAVE BEEN COMPLETED, AND IT IS APPROPRIATE FOR
21 THE BOARD TO CONSIDER THE REQUEST FOR THE DETERMINATION
22 OF CONFORMANCE FOR THE SUBJECT FACILITY.

23 STAFF HAS REVIEWED THE COUNTY SOLID WASTE
24 MANAGEMENT PLAN AND THE NOTICE OF PROPOSED FACILITY AND
25 FINDS THAT THE PROJECT IS CONSISTENT WITH THE STATE

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1 POLICY ON SOLID WASTE MANAGEMENT, CONSISTENT WITH THE
2 POLICIES AND OBJECTIVES OF THE VENTURA COUNTY SOLID WASTE
3 MANAGEMENT PLAN, CONSISTENT WITH THE SHORT, MEDIUM, AND
4 LONG-TERM FACILITIES ELEMENT OF THE COUNTY SOLID WASTE
5 MANAGEMENT PLAN BY PROVIDING A
6 SOLIDIFICATION/STABILIZATION FACILITY AS PROPOSED IN THE
7 CURRENT COSWMP, AND, FINALLY, THE PROJECT HAS OBTAINED
8 ALL LOCAL APPROVALS.

9 IN CONCLUSION, THE PROPOSED PROJECT MEETS
10 ALL THE FOUR BOARD ESTABLISHED CRITERIA FOR A
11 DETERMINATION OF CONFORMANCE.

12 THIS CONCLUDES MY PORTION OF THE
13 PRESENTATION. MS. MARTHA VASQUEZ WILL NOW DISCUSS THE
14 SECOND ACTION UNDER CONSIDERATION TODAY.

15 CHAIRMAN GALLAGHER: THANK YOU.

16 MS. VASQUEZ: IN ACCORDANCE WITH THE PERMITTING
17 REQUIREMENTS OF THE GOVERNMENT CODE, THE OPERATOR OF THE
18 FACILITY HAS SUBMITTED ALL APPROPRIATE DOCUMENTS, AND THE
19 LEA HAS MADE REQUIRED FINDINGS. THESE FINDINGS ARE THAT,
20 NO. 1, THE PROPOSED PERMIT IS CONSISTENT WITH THE VENTURA
21 COUNTY SOLID WASTE MANAGEMENT PLAN; TWO, THE PROPOSED
22 PERMIT HAS BEEN DETERMINED TO BE CONSISTENT WITH BOARD
23 STANDARDS; AND, THREE, THAT THIS FACILITY IS DESIGNATED
24 IN THE GENERAL PLAN OF THE COUNTY OF VENTURA.

25 AFTER SEVERAL RECENT CONVERSATIONS WITH THE

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1 LEA, IT WAS LEARNED THAT IT WAS THE INTENT OF THE LEA TO
2 AUTHORIZE THE USE OF NATURITE AS COVER MATERIAL THROUGH
3 THE ISSUANCE OF THIS PERMIT.

4 STAFF HAS A CONCERN IF THIS IS IN FACT THE
5 INTENT OF THE LEA. STAFF HAVE REVIEWED THE PROPOSED
6 PERMIT AND SUPPORTING DOCUMENTATION AND FIND THE PERMIT
7 ONLY AUTHORIZES THIS FACILITY TO PROCESS NONHAZARDOUS
8 DRILLING MUDS AND SEWAGE SLUDGE INTENDED FOR USE AS
9 LANDFILL COVER MATERIAL.

10 STAFF RECOMMENDS THE BOARD CONCUR IN THE
11 ISSUANCE OF A PERMIT WASTE PROCESSING FACILITY, PROVIDED
12 THE LEA AFFIRM ITS INTENT CONCERNING THE AUTHORIZED USE
13 OF THE NATURITE PRODUCT.

14 CONCURRENCE OF THIS PERMIT DOES NOT
15 AUTHORIZE THE USE OF CHEMFIX OR NATURITE AS COVER
16 MATERIALS AT ANY PARTICULAR LANDFILL, NOR DOES IT AFFIRM
17 THE SUITABILITY OF THIS PRODUCT AS A COVER MATERIAL.
18 THESE TYPE OF ISSUES SHOULD BE ADDRESSED AT THE FACILITY
19 FOR WHICH THE MATERIAL IS INTENDED TO BE USED.

20 THIS CONCLUDES MY PRESENTATION.

21 BOARD MEMBER BEAUTROW: EXCUSE ME.

22 CHAIRMAN GALLAGHER: YES. MR. BEAUTROW.

23 BOARD MEMBER BEAUTROW: THAT DOESN'T -- IT'S
24 LIKE WE'RE GIVETH; WE TAKETH AWAY OR SOMETHING. WE WOULD
25 BE APPROVING A PERMIT TO MANUFACTURE THIS STUFF, BUT

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1 WE'RE SAYING, "THAT'S GREAT. WE'LL ALLOW YOU TO DO THAT;
2 BUT AS FAR AS WHATEVER YOU DO WITH IT, THAT'S ANOTHER
3 ISSUE." HOW IS THAT NOT RELATED? IT'S RIGHT ON THE --
4 WE ALL VISITED THE SITE. IT'S RIGHT ON THE SAME SITE.
5 WHY ARE WE NOT RECOGNIZING THE UTILIZATION OF THIS? WHY
6 IS THAT? I DON'T --

7 CHAIRMAN GALLAGHER: I SEE A LOT OF FINGERS
8 GOING THIS WAY. THERE'S GOT TO BE SOMEBODY OUT THERE
9 THAT CAN ANSWER THIS. MR. CONHEIM.

10 ATTORNEY CONHEIM: MR. BEAUTROW, MEMBERS, THIS
11 IS A DISCRETE -- A SEPARATE PERMIT FOR THIS PARTICULAR
12 PROCESSING FACILITY. THE TERMS, CONDITIONS, AND FINDINGS
13 IN IT CANNOT BIND ANY OTHER LANDFILL. AND THIS IS, BY
14 ITS TERMS, ONLY A PERMIT FOR THIS PARTICULAR FACILITY.
15 TO THE EXTENT THAT THE LANDFILL IS SEPARATELY PERMITTED,
16 ISSUES REGARDING STANDARDS COMPLIANCE, USE OF COVER, ETC.
17 HAVE TO BE DEALT WITH IN THE CONTEXT OF THAT PERMIT.

18 CHOICE WAS MADE BY LOCAL GOVERNMENT TO
19 PERMIT THESE THINGS SEPARATELY, ONE THAT WE CONCURRED IN
20 BECAUSE THEY PERFORMED TWO DIFFERENT FUNCTIONS. AND ALL
21 WE'RE SAYING TODAY IS THAT WHILE WE RECOGNIZE -- OF
22 COURSE, WE RECOGNIZE THAT THE OPERATIONS ARE LINKED, BUT
23 WE'RE SIMPLY SAYING THAT AS A MATTER OF LAW THE TERMS AND
24 CONDITIONS OF THIS PERMIT DO NOT GOVERN THE OPERATION OF
25 THE LANDFILL, PERIOD. IT'S THAT SIMPLE.

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1 AND ANY ATTEMPT TO DO SO WOULD BE INVALID
2 JUST IN THE PERMIT ITSELF. WHAT WE TRIED TO DO IN
3 BRINGING THE PERMIT TO YOU TODAY WAS TO FIND A WAY TO
4 APPROVE THIS PERMIT, BUT TO PUT ON THE RECORD THAT AS A
5 MATTER OF LAW IT'S NOT ARGUABLE.

6 THE TERMS AND CONDITIONS HAVE TO BIND THIS
7 PARTICULAR FACILITY, AND WE TRIED NOT TO HAVE TO MAKE A
8 FINDING AND RECOMMENDATION THAT THIS PERMIT SHOULD BE
9 REJECTED. SO WHAT WE'RE SAYING IS WE THINK THIS IS
10 APPROPRIATE PERMIT. IT MEETS ALL THE CONDITIONS EXCEPT
11 SOME STUFF IS IN HERE THAT IS NONOPERATIVE.

12 BOARD MEMBER BEAUTROW: EXCUSE ME. ISN'T THE
13 BAILARD SITE -- I MEAN, THEY'VE SWITCHED OVER TO THE NEW
14 SITE NOW FROM THE COASTAL SITE, AND BAILARD SITE IS
15 OPERABLE. ARE THEY USING THIS MATERIAL TODAY ON THE
16 BAILARD SITE? AND IS THAT PERMIT -- IN OTHER WORDS, I
17 THOUGHT THEY HAD BEEN USING THIS FOR SEVERAL YEARS, AND I
18 THOUGHT IT -- MAYBE WHAT I'M SAYING IS A MOOT POINT OR
19 SOMETHING. COULD YOU EXPLAIN?

20 MR. VLACH: MR. BEAUTROW, I DON'T BELIEVE THAT
21 THE MATERIAL THAT'S BEING PRESENTED TO THE BOARD TODAY TO
22 BE PROCESSED IS BEING USED TODAY AT THE BAILARD LANDFILL
23 NOW. THERE'S ANOTHER MATERIAL --

24 BOARD MEMBER BEAUTROW: THE OIL FIELD-TYPE OF
25 WASTE, DRILLING MUD?



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1 MR. VLACH: YES, SIR. THAT'S CORRECT.

2 BOARD MEMBER BEAUTROW: SO WHAT YOU ARE SAYING
3 IS THAT THEY HAVE TO BRING THE BAILARD FACILITY PERMIT
4 BACK TO US AND AMEND THAT TO ALLOW THIS? ISN'T THAT --

5 MR. VLACH: NOT NECESSARILY. BUT THE ISSUE AS
6 TO SUITABILITY AND ITS USE THERE NEEDS TO BE ADDRESSED.
7 WE FEEL IT'S A SEPARATE ISSUE FROM THIS PERMIT.

8 BOARD MEMBER BEAUTROW: YEAH. WE'RE LIKE IT'S A
9 HALF A LOAF HERE. I MEAN, WE'RE TECHNICALLY APPROVING
10 THE FACILITY TO PRODUCE THIS STUFF, BUT WE'RE NOT
11 PERMITTING IT TO BE USED.

12 MR. VLACH: THAT'S BECAUSE THE PROCESS ITSELF IS
13 A FAIRLY SUBSTANTIAL PROCESS, AND IT IS, IN FACT, A SOLID
14 WASTE FACILITY AND NEEDS THE BOARD'S CONCURRENCE TO DO
15 THAT.

16 BOARD MEMBER BEAUTROW: SO DO THEY HAVE -- THEN
17 HAVE TO BRING BACK -- IS WHAT YOU ARE SAYING BRING BACK
18 THE BAILARD FACILITY PERMIT AND AMEND THAT TO INCLUDE
19 THIS AS THE SEPARATE DOCUMENT THAT TIES IT TOGETHER? HOW
20 DOES IT WORK?

21 MR. VLACH: THAT'S A POSSIBILITY. BUT THE BOARD
22 IN THE PAST HAS NOT REQUIRED THE SEPARATE PERMIT REVISION
23 IN ORDER TO DEMONSTRATE THE SUITABILITY OF A COVER
24 MATERIAL. FOR EXAMPLE, AT THE WEST CONTRA COSTA
25 LANDFILL, THE NEED REVISE THAT PERMIT WAS NOT NECESSARY.

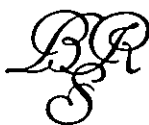
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1 BOARD MEMBER BEAUTROW: YEAH, BECAUSE WE GRANTED
2 THEM A SPECIAL WAIVER --

3 MR. VLACH: THAT'S RIGHT.

4 BOARD MEMBER BEAUTROW: -- OF COVER MATERIALS.

5 SEE, YOU ARE NOT ANSWERING MY QUESTION.
6 YOU ARE NOT OFFERING THE SOLUTION TO IT. WE'RE APPROVING
7 HALF OF IT. WHAT DO YOU SUGGEST THAT THEY DO TO FINISH
8 IT OUT?

9 ATTORNEY CONHEIM: MR. BEAUTROW, I THINK WE HAVE
10 SUGGESTED IT TO YOU AND BEEN VERY CLEAR ABOUT IT. WHAT
11 THEY HAVE TO DO IS ADDRESS, AS THEY WOULD IN ANY CASE
12 WHERE THEY WERE CHANGING THE COVER THAT THEY WERE USING,
13 THE SUITABILITY OF THAT COVER WITH REGARD TO THE
14 OPERATION OF THAT LANDFILL.

15 THAT MAY OR MAY NOT REQUIRE A PERMIT
16 MODIFICATION. IT DOESN'T USUALLY. BUT FINDINGS
17 REGARDING THIS PARTICULAR FACILITY CANNOT NECESSARILY --
18 WE HAVEN'T ADDRESSED WHETHER THIS IS SUITABLE FOR THAT
19 PARTICULAR LANDFILL. THEY HAVE TO DO THAT.

20 BOARD MEMBER BEAUTROW: SO THEY GOT TWO CHOICES.
21 THEY CAN REQUEST A WAIVER OR THEY CAN AMEND THE FACILITY
22 PERMIT.

23 ATTORNEY CONHEIM: NO. I THINK THAT THERE'S A
24 THIRD CHOICE, AND THAT'S THE ONE WE'VE BEEN TRYING TO
25 EXPLAIN TO YOU. THEY SIMPLY HAVE TO, IN COMPLYING WITH



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1 THE COVER STANDARD, DEMONSTRATE THAT A NEW MATERIAL THAT
2 THEY'RE USING IS SUITABLE TO BE USED AS COVER. THEY CAN
3 DO THAT IN A NUMBER OF WAYS.

4 MR. VLACH: THE STAFF HAS MET WITH THE LEA, AND
5 IT'S UNDERSTANDING THAT THE LEA AND THE OPERATOR HAVE
6 BEEN WORKING TOGETHER FOR SOME TIME AND HAVE JUST
7 RECENTLY COMPLETED AN ANALYSIS OF THE MATERIAL THAT'S
8 BEEN FAIRLY THOROUGH. WE HAVEN'T SEEN IT YET; AND IN
9 THAT CONTEXT, WE WOULD LIKE TO MAKE IT CLEAR TO THE BOARD
10 THAT THE STAFF HAS NOT SEEN ANY AT THIS POINT -- ANY
11 DEMONSTRATION THAT THE MATERIAL IS A SUITABLE MATERIAL,
12 AND THAT LEA WILL BE PRESENTING THAT MATERIAL TO THE
13 BOARD IN THE FUTURE FOR OUR ANALYSIS.

14 CHAIRMAN GALLAGHER: MR. VARNER.

15 BOARD MEMBER VARNER: MAYBE JUST ALONG WITH THE
16 THING, IT'S KIND OF UNCLEAR TO ME AS I LISTEN TO THIS.
17 MAYBE I'LL ASK IT A DIFFERENT WAY. IS THERE ANY REASON
18 TO BELIEVE THAT THIS MATERIAL WOULD NOT BE SUITABLE FOR
19 USE IN ANOTHER LANDFILL?

20 MR. VLACH: MR. VARNER, THE REGULATIONS WITH
21 REGARD TO THE SUITABILITY OF A COVER MATERIAL STATE THAT
22 THE MATERIAL MUST EITHER BE A SOIL. IF IT'S A SOIL
23 MATERIAL, THEN THE SUITABILITY IS ALREADY GIVEN. IF IT'S
24 NOT A SOIL, THEN THE SUITABILITY MUST BE DEMONSTRATED
25 PRIOR TO ITS USE AS A SUITABLE MATERIAL.

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1 BOARD MEMBER VARNER: IN OTHER WORDS, IT'S BEING
2 DEMONSTRATED AS A SUITABLE MATERIAL WHERE IT'S BEING
3 USED; IS THAT CORRECT?

4 MR. VLACH: I WOULD SAY THAT THE STAFF IS NOT
5 AWARE THAT THAT DEMONSTRATION HAS BEEN MADE AT THIS
6 POINT.

7 BOARD MEMBER VARNER: IS THIS MATERIAL BEING
8 USED FOR COVER MATERIAL?

9 MR. VLACH: I THINK THAT WE ARE AWARE OF THE
10 FACT THAT IT IS NOT THIS MATERIAL THAT'S BEING PROPOSED
11 TO THE BOARD TODAY, BUT A PRECURSOR TO THIS MATERIAL, A
12 DIFFERENT KIND OF MATERIAL THAT IS BEING PROCESSED. THIS
13 PERMIT --

14 BOARD MEMBER VARNER: SO THE SUITABILITY OF THIS
15 MATERIAL HAS NOT BEEN ESTABLISHED?

16 MR. VLACH: THAT'S CORRECT.

17 BOARD MEMBER VARNER: OKAY. I THINK THAT'S
18 WHERE MAYBE THE MISUNDERSTANDING IS BECAUSE I THOUGHT IT
19 HAD BEEN ESTABLISHED ALREADY.

20 SO THIS MATERIAL, THE SUITABILITY FOR
21 LANDFILL COVER, HAS NOT YET BEEN ESTABLISHED?

22 MR. VLACH: THE BOARD STAFF IS NOT AWARE OF ANY
23 FINDING BY THE LEA THAT INCLUDES A DEMONSTRATION THAT THE
24 MATERIAL IS SUITABLE. IT'S NOT BEEN REPRESENTED TO THE
25 BOARD. WE UNDERSTAND FROM THE LEA THAT THAT HAS BEEN

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1 WORKED UP AND WILL BE PRESENTED TO THE STAFF FOR REVIEW,
2 BUT WE HAVE NOT SEEN IT YET.

3 BOARD MEMBER VARNER: WHAT ARE THEY GOING TO DO
4 WITH THE MATERIAL THEN UNTIL IT'S PROVEN SUITABLE FOR
5 THAT PURPOSE?

6 MR. VLACH: THAT WE WOULD HAVE TO ASK THE LEA
7 AND THE OPERATOR. I BELIEVE A GENTLEMAN IS HERE
8 REPRESENTING VENVIROTEK, AND THE SANITATION DISTRICT
9 REPRESENTATIVE IS HERE, AS WELL AS THE LEA.

10 BOARD MEMBER VARNER: MAYBE WE NEED TO HEAR FROM
11 HIM. ARE THEY USING THIS MATERIAL FOR ANYTHING?

12 MR. VLACH: THE STAFF IS RECOMMENDING THAT THE
13 LEA DID TELL US WHAT THE INTENT OF THE PERMIT WAS, AND WE
14 WOULD LIKE TO HEAR FROM THEM.

15 CHAIRMAN GALLAGHER: FINE. WILL YOU PLEASE
16 IDENTIFY YOURSELF.

17 MR. KOEPP: YES, MR. CHAIRMAN. MY NAME IS DON
18 KOEPP. I'M THE LEA AND THE ENVIRONMENTAL HEALTH DIRECTOR
19 IN VENTURA COUNTY.

20 I GUESS TO ANSWER THE LAST QUESTION FIRST
21 IS, YES, THE MATERIAL -- A SIMILAR MATERIAL IS BEING
22 USED, NOT THIS PRECISE MATERIAL. THE MATERIAL THAT'S
23 GOING TO BE TREATED UNDER THIS PERMIT IS GOING TO BE
24 LOCALLY GENERATED SEWAGE SLUDGE. THE MATERIAL THAT'S
25 CURRENTLY BEING PROCESSED IS COMING FROM THE LOS ANGELES

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1 COUNTY HIPERIAN PLANT. I SUPPOSE IT'S A SIMILAR
2 MATERIAL, BUT NOT EXACTLY THE PRECISE SAME MATERIAL THAT
3 WILL BE TREATED THERE.

4 THE MATERIAL HAS BEEN EVALUATED BY THE LEA
5 UNDER THE BOARD'S TITLE 14 STANDARDS IN TERMS OF
6 PROPAGATION OF ANY VECTORS, LEACHATE GENERATION, PRESENT
7 ANY POSSIBILITY OF ANY PATHOGENS IN THE SEWAGE SLUDGE
8 MATERIAL OR THE TREATED VENVIROTEK MATERIAL. WE'VE HAD
9 THIS MATERIAL UNDER REVIEW IN A DESIGN STUDY SINCE JUNE
10 OF 1988, AND WE'VE HAD THE DEPARTMENT OF HEALTH SERVICES
11 LOOK AT THE POTENTIAL FOR ANY PROPAGATION OF ANY
12 PATHOGENS FROM THE TREATED MATERIAL, AND THEY HAVE
13 APPROVED IT FOR ITS USE OR APPLICATION AS A COVER.

14 AS THE LEA, WE'RE VERY SATISFIED THAT IT
15 MEETS THE CRITERIA THAT THE BOARD HAS FOR -- IN TITLE 14
16 STANDARDS, IT'S SUITABILITY FOR COVER.

17 CHAIRMAN GALLAGHER: MS. BREMBERG.

18 BOARD MEMBER BREMBERG: MR. CHAIRMAN, WHO MADE
19 THE AGREEMENT WITH THE HIPERIAN SLUDGE?

20 MR. KOEPP: I CAN'T ANSWER THAT. AS THE LEA, I
21 BELIEVE IT'S BETWEEN THE VENVIROTEK REPRESENTATIVE AND
22 THE LOS ANGELES CITY, WHO RUNS THE HIPERIAN, CITY OF LOS
23 ANGELES. THE SEWAGE SLUDGE, AFTER IT'S TREATED, IS BEING
24 APPLIED AT THE LANDFILL UNDER CONTRACT WITH THE LANDFILL
25 OPERATOR.

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1 BOARD MEMBER BREMBERG: THAT WAS DONE WITHOUT
2 HEALTH SERVICES' CONCURRENCE OR OURS OR WATER OR ANYBODY,
3 JUST WAS INCORPORATED AS A PRIVATE CONTRACT?

4 MR. KOEPP: NO. THE APPLICATION -- BEFORE THE
5 APPLICATION WAS MADE, IT WAS APPROVED BY DEPARTMENT OF
6 HEALTH SERVICES. THE CONTRACT BETWEEN THE PRIVATE
7 OPERATOR, IN THIS CASE, I BELIEVE, IS VENVIROTEK AND
8 HIPERIAN. THAT CONTRACT, OF COURSE, TOOK PLACE WITHOUT
9 ANY GOVERNMENTAL APPROVAL, BUT THE APPLICATION OF THE
10 MATERIAL WAS MADE WITH APPROVAL BY THE WATER BOARD. TO
11 ANSWER A SPECIFIC QUESTION, THE LOS ANGELES REGIONAL
12 WATER QUALITY CONTROL BOARD DID APPROVE ITS USE AS DAILY
13 COVER AS WELL AS TO BE PLACED IN THE LANDFILL UNIT. SO
14 EITHER WAY, IT COULD BE PLACED THERE AS A NONCOVER, OR IT
15 COULD BE USED OR APPLIED AS A DAILY COVER. AND THAT
16 SUPPORTING MATERIAL IS IN OUR STUDY DOCUMENT THAT WE
17 HAVE.

18 BOARD MEMBER MOSCONE: MR. CHAIRMAN.

19 CHAIRMAN GALLAGHER: YES, MR. MOSCONE.

20 BOARD MEMBER MOSCONE: ON PAGE 160, WHICH IS
21 UNDER SPECIFICATIONS, ITEM C, ALMOST THE VERY TOP OF THE
22 PAGE, IT STATES THAT IF ANY CHEMFIX PRODUCT MATERIAL IS
23 FOUND TO BE HAZARDOUS AND UNSUITABLE FOR LANDFILL COVER,
24 IT SHALL BE HANDLED AND DISPOSED OF IN ACCORDANCE WITH
25 HAZARDOUS WASTE CONTROL LAW, HEALTH AND SAFETY CODE; AND

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1 THEN ON D, SHALL NOT -- THE CHEMFIX PRODUCT MATERIAL
2 SHALL NOT ALLOW OR CAUSE AIR POLLUTION, WATER POLLUTION,
3 NUISANCE CONTROL, OR INCREASED LANDFILL GAS PRODUCTION.
4 SO IT SEEMS TO ME THAT IF ANY OF THESE BAD THINGS HAPPEN,
5 THAT'S THE END OF IT.

6 CHAIRMAN GALLAGHER: MR. CONHEIM.

7 ATTORNEY CONHEIM: I THINK THE REAL ISSUE HERE
8 IS NOT GOING TO BE WHETHER THIS MATERIAL IS -- LET ME
9 START AGAIN.

10 I THINK THE REAL ISSUE HERE DOES NOT
11 INCLUDE ANY GREAT CONCERN BY ANYBODY THAT THIS MATERIAL
12 IS NOT SUITABLE OR WOULDN'T BE SUITABLE. WHAT WE ARE
13 SAYING IS THAT THE TERMS AND CONDITIONS OF A PERMIT FOR
14 FACILITY NO. A CANNOT GOVERN AND BIND FACILITY NO. B.

15 I WOULDN'T PUT THE TERMS AND CONDITIONS OF
16 THE PERMIT IN MY DATEBOOK AND KEEP IT IN MY POCKET. I
17 WOULD PUT IT IN THE PERMIT FOR THAT FACILITY. THAT'S ALL
18 WE'RE SAYING, THAT THERE SHOULD BE NO MISUNDERSTANDING
19 THAT THE TERMS AND CONDITIONS OF THE VENVIROTEK
20 PROCESSING FACILITY BIND AND GOVERN ONLY THAT FACILITY.

21 AND I'M ABSOLUTELY CERTAIN, BASED ON WHAT
22 MR. KOEPP SAYS AND THE FACT THAT THIS HAS BEEN IN
23 BUSINESS A LONG TIME, THAT AS A MATTER OF PROCESS, WHEN
24 THAT DEMONSTRATION IS MADE WITH THE MATERIAL THAT IS
25 COMING OUT OF THE VENVIROTEK VENTURA FACILITY, THAT THE

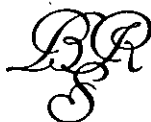
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1 APPROPRIATE FINDINGS CAN BE MADE. AND IT MAY BE ONLY SO
2 ONEROUS A JOB TO DEMONSTRATE SUITABILITY AS MAKING THE
3 FINDING AND GOING AHEAD AND OPERATING. IT MAY NOT BE
4 THAT BIG A DEAL.

5 CHAIRMAN GALLAGHER: STRAIGHTEN ME OUT, MR.
6 CONHEIM. WHAT WE'RE BEING ASKED TO DO TODAY IS TO
7 APPROVE THE FACILITY PERMIT FOR THE VENVIROTEK PROCESSING
8 PLANT ONLY, AND THERE IS -- MAY BE SOME IMPLICATION, BUT
9 IT IS NOT INTENDED THAT WE ARE IN ANY WAY AT THIS PLACE
10 APPROVING IT FOR COVER MATERIAL AT ANY SPECIFIC LANDFILL.
11 WE'RE JUST BEING ASKED TO APPROVE THE PERMIT FOR THE
12 VENVIROTEK PROCESS PLANT; IS THAT CORRECT?

13 ATTORNEY CONHEIM: YES, MR. CHAIRMAN, THAT'S
14 CORRECT.

15 CHAIRMAN GALLAGHER: IF WE CAN KEEP, THEN --

16 BOARD MEMBER BREMBERG: YEAH, BUT, MR. CHAIRMAN,
17 HE SAID THAT IT'S BEEN USED, THIS PRODUCT. SOURCE
18 NOTWITHSTANDING, YOU'VE BEEN USING THE PRODUCT SINCE JUNE
19 OF '88 FOR COVER AND LANDFILLING IN THIS PARTICULAR --
20 BAILARD, I BELIEVE, IS THE ONE THAT YOU MENTIONED. SO
21 WE'RE BEING ASKED TO APPROVE SOMETHING THAT HAS BEEN
22 OPERATING FOR ALMOST A YEAR. AND ALL YOU ARE ASKING FOR,
23 I GUESS, IS SOURCE -- THE CHANGE OF SOURCE. YOU KNOW, I
24 DON'T UNDERSTAND WHY THE WATER QUALITY BOARD APPROVED IT
25 FOR THIS ONE AND NOT FOR LOPEZ.



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1 MR. KOEPP: THE PROCESS -- THE MATERIAL THAT'S
2 CURRENTLY BEING USED IS BEING PROCESSED IN LOS ANGELES, I
3 BELIEVE, IN CONJUNCTION WITH THE HIPERIAN PLANT
4 OPERATION. THE APPLICANT HERE WANTS TO PROCESS
5 LOCALLY -- SEWAGE SLUDGE FROM LOCALLY -- SEWAGE TREATMENT
6 PLANTS THAT WISH TO PROCESS THAT MATERIAL AT THIS PLANT.
7 THEY WERE GOING TO TAKE LOCAL SEWAGE SLUDGE FROM OUR
8 SEWAGE TREATMENT PLANTS, BRING IT TO THIS PLANT, PROCESS
9 THE MATERIAL HERE, THE PROCESSED MATERIAL THEN IS
10 PROPOSED TO BE APPLIED AT THE BAILARD LANDFILL.

11 BOARD MEMBER BREMBERG: AND ELIMINATE THE
12 HIPERIAN?

13 MR. KOEPP: I DON'T KNOW THAT. THAT'S A
14 CONTRACTUAL RELATIONSHIP BETWEEN THE --

15 CHAIRMAN GALLAGHER: AGAIN, I THINK THAT'S WHERE
16 WE'RE GETTING CONFUSED. THERE IS NO IMPLICATION HERE,
17 AND I SUSPECT THAT THE BOARD MEMBERS ASKING THESE
18 QUESTIONS THINK THEY'RE BEING ASKED TO APPROVE THIS
19 MATERIAL AS COVER MATERIAL. AND THAT'S NOT WHAT WE'RE
20 HERE FOR. WE'RE HERE TO APPROVE A PERMIT FOR THE
21 VENVIROTEK PROCESS WITH NO IMPLICATIONS. YOU ARE NOT
22 GIVING UP YOUR RIGHT TO JUDGE IT AS A COVER MATERIAL AT
23 SOME POINT LATER IN TIME; IS THAT CORRECT?

24 MR. IWAHIRO: THAT IS CORRECT.

25 CHAIRMAN GALLAGHER: IF THAT GETS IT IN



1 PERSPECTIVE.

2 MR. IWAHIRO: FROM BOARD STAFF'S POINT OF VIEW.

3 BUT THE REASON WHY I THINK WE'RE TALKING
4 ABOUT THIS IS BECAUSE THERE MAY BE ANOTHER PERSPECTIVE
5 FROM THE LEA AND THE OPERATOR.

6 CHAIRMAN GALLAGHER: WELL, THAT'S A DIFFERENT
7 STORY, THOUGH.

8 WOULD YOU LIKE TO MAKE A COMMENT, SIR?

9 MR. LONG: YES. DAVE LONG WITH VENVIROTEK, THE
10 OPERATOR OF THE FACILITY.

11 I THINK IT'S IMPORTANT TO NOTE THAT THE
12 PROCESSING FACILITY HAS BEEN THERE AT BAILARD FOR ABOUT
13 THREE YEARS PROCESSING A NUMBER OF WASTESTREAMS, OIL
14 FIELD WASTESTREAMS, AND WE'VE BEEN BEFORE THE BOARD TO
15 EXPAND THAT WASTESTREAM.

16 AT EACH STEP ALONG THE WAY, THE LOCAL LEA
17 HAS APPROVED IN WRITING THE USE OF THAT MATERIAL FOR USE
18 AS DAILY COVER OR INTERMEDIATE COVER AT THE LANDFILL
19 SITES.

20 THIS MOST RECENT REVISION IS NOW ASKING THE
21 SAME PROCESS TO START INITIATING THE RECEIPT OF SEWAGE
22 SLUDGE AT THAT FACILITY AND TO USE THAT END PRODUCT AS
23 COVER MATERIAL.

24 BOARD MEMBER MOSCONE: AT BAILARD.

25 MR. LONG: AT BAILARD.



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1 ALL THE MATERIAL WE ARE PROCESSING AT THE
2 BAILARD FACILITY, I USED ON BAILARD. OUR OTHER
3 CONDITIONAL USE PERMITS OR LOCAL PERMITS PROHIBIT THE
4 REMOVAL OF MATERIAL OFF OF BAILARD. WE CANNOT MARKET IT
5 OFF BAILARD. IT STAYS AT BAILARD.

6 THE PROCESS THAT WE USE FOR APPROVAL,
7 TYPICALLY, HAS BEEN AT THE LOCAL LEVEL -- APPROVAL FOR
8 DAILY AND INTERMEDIATE IMMEDIATE COVER. WE HAVE LOOKED
9 TO THE REGIONAL WATER QUALITY CONTROL BOARD FOR
10 CONCURRENCE ON THE ACCEPTANCE OF WASTE ONTO THE SITE, BUT
11 THE APPROVAL HAS ALWAYS BEEN AT THE LOCAL LEVEL.

12 HERE, I THINK WHAT I HEAR BEING PERHAPS A
13 COMMENT IS THAT PERHAPS IT NEEDS TO BE PUSHED UP TO THE
14 STATE LEVEL FOR APPROVAL OF THAT END USE AS DAILY COVER.
15 IF THAT'S THE CASE, THEN WE'RE IN A LITTLE BIT OF HAZE
16 BECAUSE WE ALREADY HAVE APPROVAL FOR THE USE OF THE
17 NATURITE FROM THE LOCAL LEA FOR USE AS DAILY COVER.

18 ATTORNEY CONHEIM: MR. CHAIRMAN.

19 CHAIRMAN GALLAGHER: MR. CONHEIM.

20 ATTORNEY CONHEIM: THIS ISSUE -- THIS AGENDA
21 ITEM IS RIFE WITH ASSUMPTIONS THAT AREN'T SPOKEN. WE'RE
22 NOT SAYING THAT. WHAT WE ARE SAYING IS THAT TAKE A LOOK
23 AT THIS PERMIT DISCRETELY, JUST AS YOU'VE DESCRIBED IT.
24 THE PROCESS FOR DETERMINING THE SUITABILITY OF COVER CAN
25 AND IN MOST CASES WITH THE SEVERAL HUNDRED FACILITIES

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1 AROUND THE STATE IS DETERMINED THROUGH THE NORMAL
2 RELATIONSHIP BETWEEN THE OPERATOR AND THE LEA.

3 IN UNIQUE CASES OR INTERESTING CASES, LEA'S
4 SHARE INFORMATION WITH STAFF. AND WHERE STAFF SPOTS AN
5 ISSUE OR FINDS, AS IT DID IN WEST CONTRA COSTA COUNTY,
6 THAT AN ISSUE WAS NOT BEING HANDLED IN A WAY THAT THE
7 STAFF THOUGHT CONFORMED WITH THE STANDARDS, THEIR
8 INTERACTION RESULTED IN A WAIVER REQUEST AND A STATE
9 LEVEL ACTION, BUT I DON'T HAVE ANY INFORMATION TODAY THAT
10 MR. KOEPP'S APPROVAL OR SUBSEQUENT APPROVAL OF THIS AS
11 COVER IS GOING TO NECESSARILY INVOLVE A STATE ACTION.
12 WE'RE JUST SAYING LOOK AT THIS PERMIT TODAY.

13 THE FACT THAT THE OPERATOR AND LEA BROUGHT
14 THIS PERMIT, THINKING THAT IT AUTHORIZED THE USE AS
15 COVER, THAT'S WHAT GENERATES THE ASSUMPTION OF A STATE
16 APPROVAL. IT WASN'T THAT WE ASKED FOR THAT. IT WAS THAT
17 THE OPERATOR BY -- AND THE LEA, BY THEIR MISTAKE, PROCESS
18 MISTAKE, HAVE CONFUSED THIS ISSUE. BUT WE'RE TRYING TO
19 SIMPLIFY IT, AND I'M NOT SURE WHY IT'S SO DIFFICULT.
20 IT'S LIKE ANY OTHER PERMIT. IT'S A PERMIT FOR THE JOHN
21 DOE LANDFILL OR THE JOHN DOE TRANSFER STATION. THAT'S
22 WHAT IT GOVERNS.

23 BOARD MEMBER TCHOBANOGLOUS: A POINT OF
24 CLARIFICATION. WOULDN'T WE BE SETTING A PRECEDENT BY
25 APPROVING A WHOLE HOST OF PROCESSES THAT MAY OR MAY NOT

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1 HAVE ANY END USE? DOESN'T IT FALL UNDER THAT CATEGORY?
2 THAT IS, I MEAN, IT'S COME BEFORE US AND WE'RE SAYING,
3 "WELL, WE DON'T KNOW IF THERE'S AN END USE, BUT WE'LL GO
4 AHEAD AND APPROVE THE PROCESS." ISN'T THAT THE POSITION
5 WE'RE BEING PUT IN?

6 ATTORNEY CONHEIM: YES, EXACTLY. THERE ARE
7 MANY, MANY TYPES OF PROCESSING FACILITIES THAT WE WOULD
8 HAVE NO END USE APPROVAL FOR. CERTAIN MATERIAL RECOVERY
9 FACILITIES THAT MIGHT SEPARATE RECYCLED MATERIALS FROM
10 WASTE, WE WOULD NOT BE INTERESTED IN THE END USE OF THE
11 SECONDARY MATERIAL. I DON'T THINK THAT'S A PROBLEM,
12 MR. -- DR. TCHOBANOGLOUS.

13 MR. VLACH: DOCTOR, I COULD RESPOND TO -- ADD TO
14 BOB'S COMMENT, THAT THE CHEMFIX PROCESS ENSURES TWO
15 THINGS THAT MAY OTHERWISE PREVENT THIS WASTE FROM BEING
16 RECEIVED AT A SANITARY-TYPE LANDFILL, CLASS III LANDFILL.
17 IT ENSURES THAT THE MATERIAL WILL NOT BE CONSIDERED A
18 CORROSIVE, THAT ITS PH BE REDUCED BELOW A CERTAIN LEVEL,
19 I THINK IT'S 12, TO MAKE SURE THAT IT'S NOT A CORROSIVE
20 MATERIAL. IF IT WAS ABOVE 12, IT WOULD BE CONSIDERED A
21 HAZARDOUS WASTE AND COULDN'T EVEN BE ALLOWED TO ENTER THE
22 LANDFILL.

23 SECONDLY, IT ENSURES THAT THE MOISTURE
24 CONTENT OF THE DRILLING MUDS OR THE SLUDGE OR WHATEVER IS
25 REDUCED BELOW 50 PERCENT, THEN IT CAN MEET SUBCHAPTER 15

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1 REQUIREMENTS AND BE AUTHORIZED TO BE DISPOSED OF IN A
2 LANDFILL.

3 SO ASIDE FROM THE ISSUE OF WHETHER IT'S
4 SUITABLE AS COVER, THE CHEMFIX PROCESS DOES PROVIDE THAT
5 THIS WASTE CAN BE ALLOWED TO GO TO A CLASS III-TYPE
6 LANDFILL AND PREVENT IT FROM HAVING TO GO INTO MAYBE A
7 HAZARDOUS WASTE SITE. SO IT DOES HAVE SUBSTANTIAL
8 BENEFIT OVER AND ABOVE THE USE OF IT AS A COVER MATERIAL.

9 CHAIRMAN GALLAGHER: ANY FURTHER QUESTIONS? CAN
10 WE HAVE A MOTION ON REQUEST FOR PERMIT AND STAFF'S
11 RECOMMENDATION?

12 BOARD MEMBER MOSCONE: SO MOVED.

13 CHAIRMAN GALLAGHER: IT HAS BEEN MOVED THAT
14 89-12 AND 89-27 BE APPROVED. THE SECOND?

15 BOARD MEMBER BROWN: SECOND.

16 CHAIRMAN GALLAGHER: NOW BEEN SECONDED. ANY
17 FURTHER DISCUSSION? HAVE THE QUESTION THEN. ALL THOSE
18 IN FAVOR OF ACCEPTING STAFF RECOMMENDATION, ADOPTION OF
19 RESOLUTION 89-12 AND 89-27 SAY AYE. OPPOSED?

20 BOARD MEMBER BREMBERG: AYE.

21 CHAIRMAN GALLAGHER: WE HAVE ONE OPPOSITION, MS.
22 BREMBERG. AND IT IS, THEREFORE, CARRIED AND SO ORDERED.

23 BOARD MEMBER BEAUTROW: MR. CHAIRMAN.

24 CHAIRMAN GALLAGHER: YES. MR. BEAUTROW.

25 BOARD MEMBER BEAUTROW: I DON'T LIKE ROLLER

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1 SKATING, AND I'LL BE QUITE HONEST WITH YOU. ON THIS
2 PARTICULAR ISSUE WHAT WE'RE SAYING, IN EFFECT, IS, YES, I
3 UNDERSTAND WHAT WE JUST APPROVED. WE APPROVED A FACILITY
4 TO PRODUCE A CERTAIN KIND OF THING, AND WE'RE SAYING BUT
5 DON'T BOTHER US WITH THE DETAILS OF WHAT YOU ARE GOING TO
6 DO WITH THAT. OKAY. THAT'S WHAT WE JUST FINISHED DOING.

7 THEY'RE SAYING, "LET'S LEAVE IT UP TO THE
8 LEA," AND IT'S UP TO HIM AS TO HOW THAT MATERIAL IS BEING
9 USED AND DON'T BOTHER THE BOARD WITH IT. THAT'S OKAY
10 WITH ME; BUT, ON THE OTHER HAND, WE'RE HEARING FROM THE
11 STAFF, "WELL, THEY'VE GOT TO DEMONSTRATE THE SUITABILITY
12 FOR THIS." LOOK AT IT, WE'RE PUT IN A TUG-OF-WAR HERE
13 AND I DON'T LIKE IT. AS FAR AS I'M CONCERNED, THE ISSUE
14 IS STILL CLOUDED, AND THAT'S MY COMMENT ON IT.

15 CHAIRMAN GALLAGHER: OKAY. THANK YOU.

16 IT IS NOW TIME TO ADJOURN FOR LUNCH. WE
17 WILL RECONVENE AT 2 O'CLOCK.

18 (A LUNCH BREAK WAS TAKEN.)
19
20
21
22
23
24
25



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1 AFTERNOON SESSION, APRIL 20, 1989

2
3 CHAIRMAN GALLAGHER: READY TO CONVENE AND CALL
4 TO ORDER THE CALIFORNIA WASTE MANAGEMENT BOARD MEETING.
5 THE NEXT AGENDA ITEM TO BE DISCUSSED IS AGENDA ITEM NO.
6 2.

7 MR. IWAHIRO: YES, MR. CHAIRMAN. THIS ITEM IS A
8 KIND OF A STATUS REPORT ON THOSE THINGS THAT HAD TO BE
9 CERTIFIED BY OPERATORS WITH REGARD TO 2448 AGAIN. AND IF
10 YOU RECALL, THEY WERE SUPPOSED TO ON JANUARY 1ST CERTIFY
11 THAT THEY HAD AN INITIAL COST ESTIMATE FOR CLOSURE
12 PREPARED AND THAT THEY HAD ESTABLISHED A FINANCIAL
13 MECHANISM TO PAY FOR IT AND THAT THE FUNDING WAS ADEQUATE
14 TO TAKE CARE OF THOSE COSTS.

15 THOSE ARE THE CERTIFICATIONS THAT WERE TO
16 BE MADE, AND THEY WERE TO BE SUBMITTED EACH LANDFILL
17 OPERATOR. AND, OF COURSE, YOU'VE BEEN TOLD IN THE PAST
18 THAT WE HAVE RECEIVED SOME, AND WE'VE GIVEN YOU REPORTS
19 ON HOW MANY AND ALL THAT. AND BILL ORR WILL GIVE YOU A
20 FURTHER UPDATE ON WHERE WE ARE AT ON THAT AND
21 CONSIDERATION OF AT LEAST ONE OF THESE SUBMITTALS!
22 PROBABLY IN HIS PRESENTATION HE WILL LET YOU KNOW HOW WE
23 ARE HANDLING THOSE REVIEWS.

24 MR. ORR: THANK YOU, MR. CHAIRMAN. GOOD
25 AFTERNOON, BOARD MEMBERS.



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1 WHAT I'D LIKE TO DO THIS AFTERNOON IS BREAK
2 THIS PRESENTATION UP INTO THREE SECTIONS. IT'S BECOMING
3 MORE COMPLICATED AS WE GO INTO REVIEWING THE
4 CERTIFICATIONS THAT HAVE BEEN RECEIVED.

5 SO WHAT I'D LIKE TO DO IS BRIEFLY HIGHLIGHT
6 THE STATUS OF THE INFORMATION THAT WE'VE RECEIVED, AS
7 MR. IWAHIRO DESCRIBED. AND I'LL GO INTO, AT THAT POINT IN
8 TIME, THE BREAKDOWN ON THE MECHANISMS AND SO FORTH.

9 THEN THE SECOND AREA I'D LIKE TO GO INTO
10 HAS TO DO WITH CONSIDERATION FOR APPROVAL OF OPERATOR
11 CERTIFICATIONS. THIS WAS A PROCESS THAT THE BOARD AGREED
12 THAT THEY WANTED TO PURSUE AT THE FEBRUARY BOARD MEETING
13 WHERE, AS A GOOD FAITH RESPONSE TO THE OPERATORS THAT
14 HAVE COMPLIED WITH THE LAW, WE'D LIKE TO ACKNOWLEDGE THAT
15 TO THEM. AND AT THIS POINT WE'RE INITIATEDING THAT
16 PROCESS, AND I'LL GO THROUGH THAT PROCESS BECAUSE THIS IS
17 THE FIRST TIME WHERE WE'VE BROUGHT ANY TO YOUR ATTENTION.

18 AND THEN THE THIRD ITEM HAS TO DO WITH
19 COMPLIANCE ACTIVITIES THAT WE'VE BEEN PURSUING. AND
20 WE'VE GOT A LIST OF FACILITIES THAT WE'VE HEARD VERY
21 LITTLE FROM, AND WE HAVE SOME OPTIONS AND RECOMMENDATIONS
22 BASED ON WHERE TO PROCEED WITH THESE PARTICULAR
23 FACILITIES.

24 SO WITHOUT FURTHER ADO, I'LL GO THROUGH AND
25 I'LL UPDATE US ON WHAT'S OCCURRED SINCE THE LAST BOARD

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1 MEETING.

2 PROBABLY THE MOST SIGNIFICANT THING IS THAT
3 WE SENT LETTERS TO ALL OF THE OPERATORS THAT HAD NOT
4 RESPONDED AT ALL TO OUR PREVIOUS CORRESPONDENCE REGARDING
5 THE REQUIREMENTS TO SUBMIT SOMETHING. WE ALSO SENT
6 LETTERS TO THE GROUP OF FACILITIES THAT THE ONLY RESPONSE
7 THAT WE HEARD FROM THEM WAS THAT THEY WANTED AN EXTENSION
8 OF TIME TO DO SOMETHING.

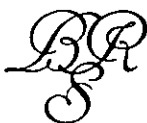
9 WHAT WE INDICATED TO THEM WAS THAT THEY
10 WOULD HAVE 14 DAYS FROM THE DATE OF THE LETTER WITHIN
11 WHICH TO COMPLY WITH THE REQUIREMENTS THAT HAVE BEEN
12 OVERDUE SINCE JANUARY 1ST. SO BY THE TIME WE WROTE THE
13 LETTER, THEY WERE APPROXIMATELY THREE MONTHS OVERDUE
14 ALREADY.

15 SO WHEN YOU LOOK AT THE TOTALS BEGINNING ON
16 PAGE 53 OF THE BOARD PACKET, YOU WILL NOTICE THAT I'VE
17 HIGHLIGHTED THE NUMBERS THAT HAVE CHANGED SINCE THE LAST
18 BOARD MEETING. THAT WE STARTED OFF IN OUR PROGRAM WITH A
19 LIST OF 416 OPERATORS THAT WERE GENERATED FROM THE SOLID
20 WASTE INFORMATION SYSTEM. AT THIS POINT IN TIME WE'VE
21 RECEIVED 68 TOTAL ALTERNATIVE CERTIFICATION STATEMENTS,
22 WHICH WOULD INDICATE THAT FOR ONE REASON OR ANOTHER THE
23 OPERATOR DIDN'T BELIEVE THEY WERE SUBJECT TO THE
24 CERTIFICATION REQUIREMENTS. NOW, THAT'S AN INCREASE OF
25 30 FROM LAST MONTH.

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1 SO PROBABLY THE LARGEST GROUP OF PARTIES
2 THAT WE HEARD FROM THAT HAD NOT RESPONDED IN ANY FASHION
3 BEFORE WERE THOSE THAT THEN CLAIMED THAT THEY WERE NOT
4 SUBJECT TO THE REQUIREMENTS. AND SO PROBABLY HE HAD JUST
5 IGNORED OUR PREVIOUS CORRESPONDENCE AND NOW FELT THAT IT
6 MIGHT BE IN THEIR BEST INTEREST TO RESPOND IN SOME
7 FASHION.

8 NOW, WHAT THAT DOES ON OUR TOTAL NUMBER OF
9 SUBJECT LANDFILL OPERATORS IS IT REDUCES BY 30 THE NUMBER
10 OF FACILITIES THAT AT THIS TIME WOULD BE CONSIDERED
11 SUBJECT TO THE CERTIFICATION REQUIREMENTS.

12 NOW, WE HAVE, IN ADDITION TO THAT, RECEIVED
13 SOME INDIVIDUAL PIECES OF INFORMATION WHICH MAY BE AN
14 INITIAL COST ESTIMATE, MAY BE AN OPERATOR CERTIFICATION;
15 BUT WE REALLY HAVEN'T RECEIVED VERY MANY ADDITIONAL
16 COMPLETE SUBMITTALS SINCE THE PREVIOUS MEETING. WE HAVE,
17 HOWEVER, RECEIVED SOME ADDITIONAL FINANCIAL MECHANISMS OF
18 APPROXIMATELY 20 MORE FINANCIAL MECHANISMS WHICH WOULD BE
19 INDICATED ON THE PIE CHART ON PAGE 54 OF THE BOARD
20 PACKET.

21 AND WHAT WE CONTINUE TO SEE IS THE MAJORITY
22 OF THE LANDFILL OPERATORS ON AN INTERIM BASIS HAVE
23 SELECTED EITHER A TRUST FUND OR AN ENTERPRISE FUND AS
24 THEIR MECHANISM OF CHOICE FOR THEIR LANDFILL.

25 THEN LET'S MOVE ON TO THE SECOND SECTION.



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1 THIS WOULD BEGIN ON PAGE 55 OF THE BOARD PACKET, AND THIS
2 WOULD BE ONE OF TWO ACTION ITEMS THAT THE BOARD MAY
3 CONSIDER TODAY RELATING TO THESE OPERATOR CERTIFICATION
4 REQUIREMENTS.

5 THE PROCESS THAT WAS AGREED UPON AT THE
6 FEBRUARY MEETING WOULD BE THAT THE BOARD STAFF WOULD
7 REVIEW THE SUBMITTED INFORMATION TO SEE THAT IT, FIRST OF
8 ALL, COMPLIED STRUCTURALLY WITH THE REQUIREMENTS OF THE
9 CERTIFICATION IN THE GOVERNMENT CODE. AND THAT WOULD BE
10 PRIMARILY THAT IT WAS, IN FACT, A CERTIFICATION AND ALSO
11 THAT IT COMPLIED WITH ALL THREE REQUIRED ELEMENTS.

12 THE FIRST ELEMENT WOULD BE THAT THEY HAD
13 PREPARED AN INITIAL COST ESTIMATE. THE SECOND IS THAT
14 THEY HAD ESTABLISHED A TRUST FUND OR EQUIVALENT FINANCIAL
15 ARRANGEMENT. AND THE THIRD ELEMENT WOULD BE THAT THE
16 FUNDING OF THAT SELECTED MECHANISM WOULD ENSURE ADEQUATE
17 RESOURCES FOR CLOSURE AND POSTCLOSURE MAINTENANCE.

18 NOW, BECAUSE OF THE EMPHASIS ON THE PERMIT
19 PROGRAM AND THE NEW REQUIREMENT THAT WAS DISCUSSED AT THE
20 MARCH MEETING, WHERE NEW APPLICANTS TO BECOME OPERATORS
21 OF SOLID WASTE FACILITIES ARE REQUIRED TO MAKE THEIR
22 CERTIFICATIONS UPON APPLICATION, WE'VE GIVEN PRIORITY TO
23 THOSE FACILITIES THAT HAVE SUBMITTED THEIR CERTIFICATION
24 MATERIALS WHERE THERE IS A PENDING PERMIT ACTION SO THAT
25 WE CAN HAVE AN IDEA AS TO WHETHER THEY'VE COMPLIED WITH

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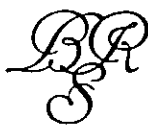
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1 THAT REQUIREMENT.

2 NOW, WHAT THE STAFF HAS DONE IS FOR THE
3 CERTIFICATIONS THAT WOULD BE LISTED ON YOUR BOARD PACKET
4 THERE, WE'VE REVIEWED THE SUBMITTAL FOR COMPLETENESS; AND
5 UPON DETERMINING THAT IT WAS COMPLETE, WE WOULD REVIEW
6 BOTH THE INITIAL COST ESTIMATE THAT WAS SUBMITTED AND WE
7 DEVELOPED A VERIFICATION CHECKLIST FOR THAT COST ESTIMATE
8 AND ALSO EVALUATE THE FINANCIAL MECHANISM ITSELF TO
9 VERIFY THAT IT, IN FACT, HAD BEEN ESTABLISHED AND THAT IT
10 MET THE CRITERIA THAT WERE IN THE BOARD'S GUIDELINES THAT
11 WERE APPROVED LAST SUMMER.

12 THE FACILITY THAT RECEIVED THIS REVIEW THIS
13 MONTH THAT IS A PENDING PERMIT ACTION IS THE CHESTNUT
14 AVENUE DISPOSAL SITE. AND THE -- ALL OF THOSE CHECKLISTS
15 HAVE BEEN USED IN EVALUATING THIS SUBMITTAL, AND THE
16 BOARD OPTIONS THAT ARE INDICATED THERE WOULD BE TO EITHER
17 TAKE NO ACTION BECAUSE THERE IS NO REQUIREMENT UNDER THE
18 LAW TO APPROVE THE CERTIFICATIONS, OR IF IT WAS FELT THAT
19 THE OPERATOR HAD NOT COMPLIED WITH THE REQUIREMENTS, TO
20 DENY THE OPERATOR'S CERTIFICATION; BUT WHAT THE STAFF IS
21 RECOMMENDING IN THIS INSTANCE WOULD BE APPROVING THE
22 OPERATOR'S CERTIFICATION AS BEING COMPLIANT WITH THE
23 REQUIREMENTS OF THE GOVERNMENT CODE AND ALSO CONSISTENT
24 WITH THE CERTIFICATION GUIDELINES.

25 I DON'T KNOW IF YOU WANT ME TO GO THROUGH



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1 ALL THREE OF THEM AND TAKE UP THOSE ISSUES SEPARATELY OR
2 JUST PROCEED TO THE NEXT AREA.

3 CHAIRMAN GALLAGHER: MR. BEAUTROW.

4 BOARD MEMBER BEAUTROW: YOU MENTIONED YOU WROTE
5 THE LETTER TO THE RECALCITRANT -- THE ONES THAT DIDN'T
6 RESPOND. YOU SAY YOU GOT 14 DAYS TO RESPOND OR WHAT?

7 MR. ORR: WELL, BASICALLY, IT'S TWOFOLD, THAT
8 ESSENTIALLY WE WOULD BRING IT TO YOUR ATTENTION THAT THEY
9 HAVEN'T COMPLIED, AND THEN IT WOULD BE AT YOUR DIRECTION
10 AS TO HOW TO PROCEED. THAT WILL BE THE NEXT SECTION OF
11 THE ITEM.

12 MR. IWAHIRO: DID WE NOT MENTION THAT IT MAY BE
13 REFERRED TO THE ATTORNEY GENERAL?

14 MR. ORR: WE SAID IT MAY BE REFERRED TO THE
15 ATTORNEY GENERAL, WHICH IS ONE OF THE RECOMMENDED OPTIONS
16 HERE.

17 CHAIRMAN GALLAGHER: WHY DON'T YOU BREAK IT UP,
18 BILL, SO THAT THERE WON'T BE ANY LOSS OF TRAIN OF
19 THOUGHT.

20 MR. ORR: SO THAT PRETTY MUCH COMPLETES THE
21 PROCESS THAT WE WENT THROUGH. AND THE RECOMMENDATION
22 TODAY FOR THE FIRST ITEM WOULD BE THAT THE BOARD CONSIDER
23 APPROVING THIS ONE OPERATOR CERTIFICATION THAT IS PENDING
24 AS A PERMIT ITEM.

25 CHAIRMAN GALLAGHER: IS IT YOUR WISH THAT WE



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1 TAKE A VOTE ON THAT AS OF RIGHT NOW?

2 MR. ORR: YES.

3 CHAIRMAN GALLAGHER: WOULD YOU RESTATE WHAT IT
4 IS YOU WOULD LIKE US TO DO?

5 MR. ORR: THAT THE BOARD APPROVE THE OPERATOR'S
6 CERTIFICATION FOR THE CHESTNUT AVENUE DISPOSAL SITE, AND
7 THAT THIS ACTION WOULD INDICATE THAT THE APPLICANT HAD
8 COMPLIED WITH THE CERTIFICATION REQUIREMENTS OF
9 GOVERNMENT CODE SECTION 66796.22, AND THAT THE SUBMITTAL
10 IS CONSISTENT WITH THE CERTIFICATION GUIDELINES.

11 BOARD MEMBER TCHOBANOGLIOUS: SO MOVE.

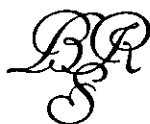
12 CHAIRMAN GALLAGHER: IT HAS BEEN MOVED AND
13 SECONDED THAT WE ADOPT AND CONFIRM THE OPERATOR THAT YOU
14 STATED IN YOUR MOTION AND THAT IT CONFORMS TO THE
15 GUIDELINES.

16 ALL THOSE IN FAVOR? OPPOSED?

17 MR. ORR: AS A FOLLOW-UP TO THAT, WE WILL BE
18 BRINGING BACK IN A SIMILAR FORMAT TO YOU A LIST,
19 HOPEFULLY MORE THAN ONE, BUT AS WE'RE ABLE TO BRING
20 FORWARD A LIST OF THE CERTIFICATIONS THAT HAVE BEEN
21 REVIEWED FOR YOUR ATTENTION.

22 CHAIRMAN GALLAGHER: THANK YOU, BILL.

23 MR. ORR: NOW, IN TERMS OF THE SECOND ITEM, THIS
24 WOULD BE CONSIDERATION OF ENFORCEMENT OPTIONS FOR
25 NONCOMPLIANCE WITH THE CERTIFICATION REQUIREMENTS.



1 NOW, THE GROUP OF FACILITIES AND OPERATORS
2 THAT WE'RE FOCUSING HERE ON TODAY, AS I MENTIONED BEFORE,
3 ARE ONES WHERE WE'VE ESSENTIALLY RECEIVED NOTHING; OR NOW
4 THAT WE'VE SENT OUT A LETTER, MAYBE THEY'VE SENT IN ONE
5 SMALL PIECE OF THE CERTIFICATION, BUT THEY CLEARLY DO NOT
6 COMPLY WITH THE CERTIFICATION REQUIREMENTS OF THE
7 GOVERNMENT CODE.

8 LETTERS HAVE BEEN SENT OUT IN TWO PRIMARY
9 BATCHES, BUT WE'VE ALSO SENT OUT LETTERS TO SOME
10 INDIVIDUAL FACILITIES. IF, FOR EXAMPLE, WE GOT A
11 CORRECTED ADDRESS, WE WOULD SEND OUT A NEW LETTER TO THE
12 CORRECT ADDRESS AND RESTART THE CLOCK ON WHEN WE WERE
13 REQUESTING COMPLIANCE.

14 TO GIVE YOU AN IDEA, THE PRIMARY GROUP THAT
15 WE SENT OUT WAS TO THE PEOPLE WE HEARD NOTHING FROM. THE
16 LIST ON THE STATUS OF THE FACILITIES WOULD BEGIN ON PAGE
17 56, AND FOR SEVERAL PAGES THERE'S A LIST OF FACILITIES
18 THAT WE'VE HEARD ABSOLUTELY NOTHING FROM.

19 NOW, IN THAT WE WERE REQUESTING COMPLIANCE
20 WITH THE REQUIREMENTS BY MARCH 22D --

21 CHAIRMAN GALLAGHER: MARCH 22D?

22 MR. ORR: MARCH 22D, YEAH.

23 THE SECOND GROUP OF FACILITIES WHERE THEY
24 HAD PREVIOUSLY REQUESTED AN EXTENSION OF TIME BEGINS ON
25 PAGE 66 -- 68 OF THE BOARD PACKET. AND THE DATE OF THAT



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1 LETTER WAS MARCH 22D. AND SO FOR THAT GROUP, WE
2 REQUESTED COMPLIANCE BY APRIL 5TH, WHICH HAS SUBSEQUENTLY
3 ELAPSED.

4 AND THEN ON PAGE 70 ARE SEVERAL SPECIFIC
5 FACILITIES THAT HAVE HAD LETTERS SENT OUT, AS I
6 MENTIONED, SPECIFIC TO THAT SITE, AND THE COMPLIANCE DATE
7 REQUESTED IS INDICATED. NOW, ONLY ONE OF THESE
8 FACILITIES -- ONE OF THE COMPLIANCE DATES FOR THAT
9 FACILITY WOULD BE APRIL 21ST, WHICH WILL BE TOMORROW, AND
10 SO THEY HAVE ONE DAY LEFT BASED ON THE REQUEST IN THE
11 LETTER.

12 BOARD MEMBER BREMBERG: MR. CHAIRMAN.

13 CHAIRMAN GALLAGHER: YES, MS. BREMBERG.

14 BOARD MEMBER BREMBERG: BILL, ON THE -- LET'S GO
15 BACK TO PAGE 56. THESE PEOPLE ARE IN GREAT PART -- I
16 NOTICE THAT THERE'S A LOT OF PUBLIC ENTITIES THAT HAVE
17 NOT COMPLIED, AS WELL AS MILITARY ESTABLISHMENTS, FEDERAL
18 AND EVEN STATE PARKS. WHAT KIND OF, IF I MAY QUOTE OUR
19 LEARNED COUNSEL, HAMMER DO WE HAVE ON THEM?

20 MR. ORR: WELL, I THINK, AT THIS POINT IN TIME,
21 THE MAIN HAMMER THAT WE HAVE WOULD BE JUST BUILT INTO IT
22 IS NOT GRANTING ANY PERMIT ACTIONS ON THE FACILITY UNLESS
23 IT WAS IN COMPLIANCE WITH THE REQUIREMENTS. BEYOND THAT,
24 THERE IS NOT A HAMMER THAT'S BUILT INTO THE LAW REGARDING
25 THE INITIAL CERTIFICATIONS.



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1 BOARD MEMBER BREMBERG: I THINK WE HAVE ONE THAT
2 ISN'T BUILT INTO THE LAW, AND IT'S NAME IS CHRIS PECK ON
3 PRESS RELEASES TO THE LOCAL COMMUNITY WHERE THERE IS
4 NONCOMPLIANCE BY THE GOVERNMENT CHARGED WITH DISPOSING OF
5 THEIR SANITARY -- UNSANITARY WASTE. IT SEEMS TO HAVE
6 WORKED IN THE PAST. AND THERE'S ABSOLUTELY NOTHING
7 WRONG, IN MY OPINION, WHEN THEY'RE THIS DELINQUENT TO
8 POINT OUT TO THE LOCAL NEWSPAPERS, WHETHER THEY BE WEEKLY
9 OR DAILY, THAT WE'RE SITTING UP HERE GIVING THEM GUIDANCE
10 AND EXPERT TRAINING AND SO FORTH AND SO ON, AND SOMEHOW
11 THEY NEGLECTED TO RESPOND TO OUR CORRESPONDENCE.

12 MR. ORR: THAT DEFINITELY COULD BE CONSIDERED
13 ALONG WITH ANY OTHER ACTIONS THAT MIGHT BE APPROPRIATE,
14 SURE.

15 CHAIRMAN GALLAGHER: MR. CONHEIM, TAKING A LOOK
16 AT THE OPTIONS, I'D LIKE SOME COMMENTS FROM YOU AS TO
17 WHETHER OR NOT WE WOULD GET EGG ON OUR FACE IF WE WERE TO
18 VOTE FOR, SAY, OPTION NO. 2 LISTED ON PAGE 70. IT'S
19 OBVIOUS THAT COMPLIANCE WITH CERTIFICATION WAS NOT A VERY
20 WELL SPELLED OUT THING IN THE STATUTE. SO I DON'T WANT
21 TO DISCOURAGE; BUT, ON THE OTHER HAND, I DON'T WANT TO
22 ENCOURAGE ANYTHING WHICH IS GOING TO GET US IN AN
23 EMBARRASSING SITUATION.

24 ATTORNEY CONHEIM: I THINK BILL HAS MENTIONED
25 THE CENTRAL PROBLEM WE'VE GOT HERE; THAT IS, THAT THESE

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1 INITIAL CERTIFICATIONS ARE STATUTORY CREATURES WHICH
2 PRECEDE OUR ADOPTING ANY REAL STANDARDS FOR REGULATIONS.
3 AND THE INTENT OF THE INITIAL CERTIFICATIONS WAS TO GET
4 THE PROGRAM ROLLING. BUT THE REAL MEAT, THE REAL
5 GOVERNANCE OF THE CLOSURE AND POSTCLOSURE MAINTENANCE OF
6 THESE SITES IS GOING TO BE THROUGH THE BOARD'S APPROVAL
7 OF THE REAL CLOSURE PLANTS.

8 SO I DON'T THINK IT'S THE INTENT OF BILL'S
9 STAFF -- BILL OR BILL'S STAFF AND CERTAINLY NOT MY INTENT
10 TO RECOMMEND THAT, BY REFERRING TO THE ATTORNEY GENERAL,
11 WE REALLY INTEND TO LITIGATE ALL OF THESE INITIAL
12 CERTIFICATION NONCOMPLIANCES.

13 WHAT WE'D LIKE TO DO IS GET AS MUCH -- WE'D
14 LIKE TO CAJOLE AS MUCH COMPLIANCE AS POSSIBLE BECAUSE IT
15 IS THROUGH THE INITIAL CERTIFICATIONS THAT WE WILL GET
16 THE PROGRAM ROLLING AND SENSITIZE THE COMMUNITY TO WHAT
17 WE'RE TRYING TO DO. SO WE HAD SOME SUCCESS IN MOST OF
18 THE COUNTIES THAT WE ASKED THE AG TO WRITE DELINQUENT
19 COSWMP LETTERS TO. OF COURSE, WE HAD TO LITIGATE A FEW
20 OF THEM. WHAT WE'D LIKE TO DO IS GET THE AG AT A MINIMUM
21 TO TWEAK THE OPERATORS WITH A LETTER FROM THE AG.

22 AND THEN EACH INDIVIDUAL CASE DOWN THE
23 LINE, I THINK, IS GOING TO BE SOMETHING FOR YOU TO DECIDE
24 ON WHAT TO DO, PARTICULARLY IF, HAVING FAILED TO DO
25 INITIAL CERTIFICATIONS, A FACILITY ALSO DOESN'T TURN IN

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1 ITS REAL CLOSURE PLAN WHEN IT'S SUPPOSED TO.

2 NOW, THERE'S A COUPLE OTHER ISSUES. I
3 THINK THAT WHERE WE HAVE STATE AGENCIES INVOLVED, IT'S A
4 REAL BOMBSHELL FOR US TO EVEN CONSIDER LITIGATION AGAINST
5 A SISTER STATE AGENCY RUNNING A FACILITY. SECONDLY,
6 THERE IS AN OUTSTANDING ISSUE THAT IS NOT YET RESOLVED AT
7 THE FEDERAL LEVEL AS TO WHETHER FEDERAL FACILITIES SHOULD
8 BE BOUND BY OUR CLOSURE REGS.

9 I THINK THE LAW IS VERY CLEAR, BUT A
10 VARIETY OF THE FEDERAL DEPARTMENT OF DEFENSE OPERATORS
11 DON'T THINK SO. SO WHAT WE'RE ASKING YOU TO DO IN OPTION
12 NO. 2 IS TO SIMPLY ENGAGE THE AG -- AND THE AG LIKES TO
13 DO THIS BECAUSE THIS IS LETTER WRITING. WE'RE NOT GOING
14 TO HAVE ANY PROBLEM GETTING THEM TO DO THAT. WE'VE HEARD
15 THAT BEFORE. I THINK THAT'S AN APPROPRIATE THING TO DO,
16 AND THEN WE SEE WHAT THE FALLOUT IS.

17 GEORGE HAS SOME REMARKS THAT HE'D LIKE TO
18 MAKE.

19 MR. EOWAN: I'VE BEEN REINING MYSELF IN ALL DAY.
20 LET ONE OUT HERE.

21 ONE COMMENT ON THE LIST. I THINK IF WE
22 MAKE A MOTION ON TAKING SOME ACTION ON THIS, I WOULD
23 RECOMMEND THAT WE DELETE ANY STATE AGENCY THAT HASN'T
24 RESPONSIBLE OPERATOR.

25 AND THE LAST ONE ON THE LIST IS A STATE



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1 AGENCY, AND THERE MAY BE ANOTHER ONE THAT I MISSED.
2 THERE ARE OTHER METHODS TO DEAL WITH STATE AGENCY OTHER
3 THAN ATTORNEY GENERAL.

4 BOARD MEMBER BREMBERG: THERE'S A STATE PARKS
5 ONE.

6 MR. EOWAN: SECOND POINT. IT OCCURS TO ME
7 THERE'S PROBABLY ANOTHER OPTION, AT LEAST ONE OTHER
8 OPTION, THERE MAY BE OTHERS, BESIDES THE TWO THAT ARE
9 LISTED. AND I APOLOGIZE FOR NOT HAVING IT ON HERE. IT
10 HAS TO DO WITH TAKING SOME ACTION ON THE PERMIT, ON THE
11 OPERATING PERMIT.

12 ONE POSSIBILITY WOULD BE LISTING THE
13 FACILITY ON THE STATE LIST OF NONCOMPLYING FACILITIES.
14 THERE MAY BE OTHER PERMIT ACTIONS THAT WE CAN TAKE.

15 MR. CONHEIM, YOU SAID SOMETHING ABOUT
16 COSWMP.

17 ATTORNEY CONHEIM: ALLAN MENTIONED -- LEANED
18 OVER AND MENTIONED TO ME ALSO SOMETHING WE'VE TALKED
19 ABOUT IS THAT IF A FACILITY COMES IN -- IF A COUNTY IN
20 WITH A COSWMP AND THEY'RE TRYING TO COUNT THEIR EIGHT
21 YEARS CAPACITY TO INCLUDE THESE NONCOMPLYING FACILITIES
22 WHO ARE NOT COMPLYING BECAUSE THEY HAVEN'T DONE THEIR
23 CERTIFICATIONS AND RELATED CLOSURE ACTIVITIES, THEN I
24 THINK IT FOLLOWS THAT IF WE LIST THEM ON THE LIST OF
25 NONCOMPLYING FACILITIES OR TAKE A PERMIT SANCTION, THAT



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1 WE ALSO CONSIDER THE EFFECT OF TAKING THOSE FACILITIES
2 OUT OF THE EIGHT-YEAR CAPACITY COUNT IN A COSWMP, SO THAT
3 POTENTIALLY A COSWMP COULD BE DISAPPROVED BECAUSE OF ONE
4 OF THESE ACTIONS AS WELL. CAN'T COUNT A FACILITY CAN'T
5 USE.

6 CHAIRMAN GALLAGHER: LET ME CLARIFY IN MY OWN
7 MIND. IS THERE A DEADLINE FOR THIS ACTION THAT YOU ARE
8 TALKING ABOUT, BILL? WERE THEY SUPPOSED TO COME IN FOR
9 CERTIFICATION BY X DATE?

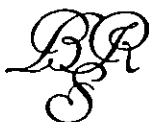
10 MR. ORR: JANUARY 1 OF THIS YEAR.

11 CHAIRMAN GALLAGHER: SO THERE IS AT LEAST A
12 STATUTORY TIME FRAME THAT WE CAN REFER TO.

13 BOARD MEMBER BREMBERG: MR. CHAIRMAN, YOU TALKED
14 ABOUT REMOVING STATE AGENCIES. HOW ABOUT FEDERAL?

15 MR. ORR: IF I COULD MAYBE MAKE A COMMENT ON THE
16 FEDERAL FACILITIES. TO GIVE YOU AN IDEA, THERE ARE A
17 NUMBER OF FEDERAL FACILITIES ON THE LIST, AND SOME OF THE
18 FEDERAL FACILITIES HAVE SUBMITTED INITIAL COST ESTIMATES
19 AND HAVE INDICATED THAT THEY DON'T BELIEVE THEY CAN
20 COMPLY WITH THE FINANCIAL EFFECT MECHANISM ASPECT OF THE
21 REQUIREMENT, BUT THEY'VE SHOWED AT LEAST GOOD FAITH IN
22 TERMS OF SUBMITTING THEIR INITIAL COST ESTIMATES.

23 NONE OF THE FACILITIES THAT ARE ON THIS
24 LIST TODAY HAVE EVEN DONE THAT. I THINK IF THERE'S A
25 QUESTION ABOUT THE FEDERAL FACILITIES AND APPROPRIATE



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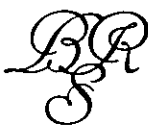
1 FINANCIAL MECHANISMS, THAT DOES NEED TO BE SORTED OUT,
2 BUT I DON'T THINK THAT IT NECESSARILY NEEDS TO BE USED AS
3 AN EXCUSE NOT EVEN TO PREPARE A CLOSURE PLAN OR INITIAL
4 COST ESTIMATE. AND THE FEDERAL FACILITIES THAT ARE ON
5 THIS LIST TODAY HAVEN'T EVEN GONE THAT FAR.

6 BOARD MEMBER BREMBERG: I'M LOOKING AT JET
7 PROPULSION LABORATORY AND EDWARDS AIR FORCE, BUREAU OF
8 LAND MANAGEMENT, JUST TO PICK UP A FEW ON HERE. THERE'S
9 A LOT OF THEM THAT AREN'T -- HAVEN'T BOTHERED TO RESPOND
10 AT ALL. AND I'M JUST KIND OF CURIOUS AS TO WHAT CAN WE
11 DO MORE THAN WE ARE. DO THEY TREMBLE WHEN THEY GET A
12 LETTER FROM THE ATTORNEY GENERAL OF THE STATE OF
13 CALIFORNIA? I DIDN'T THINK PROBABLY THEY DID.

14 MR. ORR: THEY MAY NOT TREMBLE, BUT I THINK ONE
15 OF THE THINGS THAT WE'VE RUN INTO DISCUSSING THIS WITH
16 THE INDIVIDUAL FACILITIES IS COMMONLY WHAT WE'RE BEING
17 TOLD IS THAT THE DEPARTMENT OF JUSTICE OR SOMEBODY IS
18 GOING TO BE RESPONDING ON BEHALF OF THEM IN TERMS OF WHAT
19 THEIR POSITION IS RELATING TO THE FINANCIAL ASSURANCES.
20 AND YET WE'VE NOT SEEN A LETTER FROM THEM TO THAT EFFECT.
21 AND SO WE MAY NOT BE ABLE TO MAKE THEM TREMBLE, BUT AT
22 LEAST WE COULD KNOW WHAT THEIR POSITION IS FORMALLY. I
23 THINK THAT THAT WOULD BE VALUABLE.

24 BOARD MEMBER BEAUTROW: MR. CHAIRMAN.

25 CHAIRMAN GALLAGHER: YES, MR. BEAUTROW.



1 NOT LIMITED TO, THE ONES THAT WERE STATED HERE TODAY.

2 MR. EOWAN: YES.

3 CHAIRMAN GALLAGHER: AND TAKE THE VOTE BASED ON
4 THAT, GIVING A DEADLINE TO REPORT BACK TO US IF ANY OF
5 THEM HAVE ANY EFFECT.

6 MR. EOWAN: I THINK THAT'S APPROPRIATE. I THINK
7 THAT'S THE BEST WAY TO DO IT.

8 BOARD MEMBER BREMBERG: MAKE THAT AN ORAL
9 ADJUSTMENT.

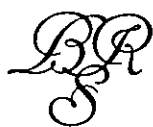
10 CHAIRMAN GALLAGHER: I'M JUST SAYING THEY SHOULD
11 WITHDRAW THIS AND HAVE BILL STATE OR PARAPHRASE WHATEVER
12 IT WAS WE SAID.

13 MR. EOWAN: I THINK IT WAS VERY CLEAR AND
14 DOESN'T NEED PARAPHRASING.

15 MR. IWAHIRO: I THINK WE GOT IT.

16 CHAIRMAN GALLAGHER: IF THAT IS ACCEPTED AS AN
17 OPTION BY THE STAFF, I'LL TRY TO REPHRASE IT, THAT WE
18 WITHDRAW OPTION NO. 2 AND INSTITUTE IN ITS PLACE A
19 RECOMMENDATION THAT STAFF BE GIVEN PERMISSION TO USE ALL
20 OPTIONS AVAILABLE, INCLUDING, BUT NOT LIMITED TO, THE
21 ONES THAT WERE STATED HERE TODAY, WHICH INCLUDED PERMIT
22 REVIEWS, COSWMPs, ETC., AND THEN REPORT BACK TO US
23 WHETHER OR NOT ANY OF THOSE OPTIONS HAD ANY EFFECT.

24 ATTORNEY CONHEIM: INCLUDING THE AG, MR.
25 CHAIRMAN, IF APPROPRIATE, INCLUDING THE AG, IF



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1 BOARD MEMBER BEAUTROW: ANOTHER AVENUE IS THAT
2 ON THE FACILITY PERMITS, I THINK YOU GAVE US A REPORT
3 SOME TIME AGO THAT LIKE 80 PERCENT OF THE FACILITIES HAVE
4 NOT DONE THEIR FIVE-YEAR PERMIT REVIEW. WE COULD BRING
5 THESE TO THE FOREFRONT BY TARGETING THESE THINGS, GOING
6 BACK TO THE LEA, SAYING THAT WE WANT TO REVIEW THIS
7 PERMIT, AND THEN TELLING THEM THAT THERE'S THE
8 POSSIBILITY, LIKE THE CHESTNUT AVENUE THING, THAT THEY
9 WON'T HAVE A PERMIT. SO WE COULD ACCELERATE THE PERMIT
10 REVIEW PROCESS IF THEY ARE, IN FACT, DUE FOR THAT. KIND
11 OF A ROUNDABOUT WAY.

12 MR. EOWAN: I DIDN'T MEAN TO SAY THAT THE
13 OPTIONS THAT WERE IN FRONT OF YOU WERE NOT APPROPRIATE.
14 I JUST WANTED TO LET YOU KNOW THAT THERE PROBABLY ARE
15 SOME OTHER WAYS TO DEAL WITH THE ISSUE, AND MAYBE THERE'S
16 NO ONE BEST WAY. AND IF WE DID, SAY, TAKE OPTION NO. 2,
17 THE ATTORNEY GENERAL APPROACH, THAT WOULDN'T PRECLUDE US
18 FROM TAKING OTHER OPTIONS AS WELL. AND MAYBE THAT WOULD
19 BE THE BEST APPROACH BECAUSE, YOU KNOW, WE DON'T HAVE BIG
20 HAMMERS TO WIELD HERE AND MAYBE A FEW LITTLE ONES WILL
21 MAKE UP FOR IT.

22 CHAIRMAN GALLAGHER: WELL, IT WOULD SEEM TO ME
23 THAT IF THAT IS HOW YOU FEEL, YOU SHOULD WITHDRAW THE
24 STAFF RECOMMENDATION OF OPTION NO. 2 AND REWRITE IT TO
25 CONTAIN USE ALL OPTIONS AVAILABLE TO US, INCLUDING, BUT

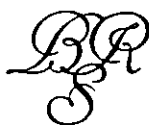
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1 APPROPRIATE.

2 CHAIRMAN GALLAGHER: I SAID ALL OPTIONS AND THAT
3 IS ONE.

4 YES, MR. TCHOBANOGLOUS.

5 BOARD MEMBER TCHOBANOGLOUS: I WAS JUST CONCERNED
6 THAT WE FOLLOW THROUGH WITH THE AG AS THE OTHER OPTIONS
7 ARE ON TOP OF FOLLOWING THROUGH WITH THE AG. I THINK
8 PURSUE THAT ONE IMMEDIATELY AND ADD THE OTHER OPTIONS TO
9 IT.

10 CHAIRMAN GALLAGHER: I WAS NOT INTENDING THAT
11 OPTION NO. 2 BE IGNORED. IT WAS JUST THAT IT BE JUST ONE
12 OF THE OPTIONS INVOLVED.

13 ATTORNEY CONHEIM: THERE'S NOTHING MAGIC ABOUT
14 OR NOTHING FIXED ABOUT AN AG LETTER. TO THE EXTENT THAT
15 WE HAVE DIFFERENT CLASSES OR GROUPS OF FACILITIES, I
16 THINK THE AG'S LETTER CAN BE TAILORED TO ADDRESS SPECIFIC
17 CONCERNS. AND WHAT WE DO WITH OTHER THAN STATE AGENCIES,
18 I DON'T THINK WE HAVE TO DO SPECIFICALLY WITH STATE
19 AGENCIES. SO THAT I THINK THE AG'S LETTER CAN MAKE SOME
20 OTHER RECITATIONS WITH REGARD TO STATE AGENCIES SO THAT
21 WE DON'T GET OURSELVES IN SITUATION WHERE WE LOOK LIKE
22 WE'RE BEING INTRANSIGENT WITH REGARD TO OUR OWN INTERNAL
23 GOVERNMENT PROCEDURE.

24 CHAIRMAN GALLAGHER: MS. BREMBERG.

25 BOARD MEMBER BREMBERG: MR. CHAIRMAN, IT JUST



1 CROSSED MY MIND THAT I HEARD ON THE NEWS RECENTLY THAT
2 SOME OF THE MILITARY BASES IN THE STATE OF CALIFORNIA ARE
3 BEING CLOSED AND THAT SAN BERNARDINO COUNTY, I BELIEVE,
4 IS ONE THAT IS SEEKING FINANCIAL ASSURANCES FROM THE
5 FEDERAL GOVERNMENT ON THE JET FUEL AND SO FORTH THAT WAS
6 POURED INTO THE GROUND AND CONTAMINATED AND SO FORTH.

7 ARE ANY OF THESE THAT ARE ON OUR DELINQUENT
8 LIST SOME THAT ARE BEING CLOSED? IS MOFFAT -- WAS MOFFAT
9 CLOSED OR IS THAT STAYING OPEN?

10 MR. EOWAN: I DON'T KNOW. I THINK WE'LL HAVE TO
11 CHECK THAT. THAT'S A GOOD POINT.

12 BOARD MEMBER BREMBERG: BECAUSE IF THEY'RE GOING
13 TO WALK AWAY, WE'RE IN THE POSITION HERE OF A BANKRUPT
14 COMPANY JUST DISAPPEARING AND LEAVING WHATEVER JUNK THEY
15 MAY HAVE AROUND, JUST LEAVING IT THERE.

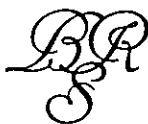
16 MR. EOWAN: WE WILL CHECK THAT AND MAKE SURE.
17 APPRECIATE THAT SUGGESTION.

18 CHAIRMAN GALLAGHER: CAN I HEAR A MOTION FROM
19 ONE OF YOU TO ADOPT THE POSITION THAT WAS STATED?

20 BOARD MEMBER VARNER: I'LL MAKE THAT MOTION. SO
21 MOVE.

22 BOARD MEMBER LOCKINGTON: SECOND.

23 CHAIRMAN GALLAGHER: IT'S BEEN MOVED AND
24 SECONDED THAT WE READJUST THE OPTION, AND YOU ALL HEARD
25 IT TWO OR THREE TIMES. ALL THOSE IN FAVOR? OPPOSED?



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1 CARRIED AND SO ORDERED, BILL. YOU KNOW NOW WHAT YOU ARE
2 GOING TO DO.

3 MR. IWAHIRO: I BELIEVE THAT WAS THE CONCLUSION
4 OF THAT ITEM. THERE WERE THREE PARTS, AND I BELIEVE WE
5 GOT THEM ALL.

6 CHAIRMAN GALLAGHER: OKAY. READY TO MOVE NOW TO
7 ITEM NO. 7.

8 MR. IWAHIRO: ITEM NO. 7 IS ONE OF OUR TYPICAL
9 TYPE OF ACTIONS IN TERMS OF CONCURRENCE IN THE ISSUANCE
10 OF A NEW SOLID WASTE FACILITIES PERMIT FOR CHESTNUT
11 AVENUE. AND YOU HAD THIS BEFORE YOU IN MODESTO, AND
12 THERE WAS A DEFICIENCY WITH REGARD TO 2448. AND I
13 BELIEVE THAT'S BEEN CORRECTED, BUT STAFF WILL PRESENT
14 THAT.

15 MR. ADAMS: GOOD AFTERNOON, MR. CHAIRMAN. MY
16 NAME IS JESS ADAMS.

17 THIS ITEM IS THE CONSIDERATION OF
18 CONCURRENCE IN THE ISSUANCE OF A NEW SOLID WASTE
19 FACILITIES PERMIT FOR THE CHESTNUT AVENUE LANDFILL IN
20 FRESNO COUNTY.

21 THE KEY ISSUES ARE NEW PERMIT TO REFLECT
22 NEW OPERATOR -- CERTIFICATION OF FINANCIAL RESPONSIBILITY
23 REQUIRED BY AB 2448 HAS BEEN RECEIVED FROM THE NEW
24 OPERATOR. AND THE THIRD ISSUE, NEW OPERATOR ACCEPTS ALL
25 TERMS AND CONDITIONS OF THE PREVIOUS PERMIT AND HAS



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1 RECERTIFIED THE EXISTING RDSI.

2 AS YOU ARE AWARE AND AS MR. IWAHIRO
3 MENTIONED, THIS ITEM WAS PRESENTED AND DISCUSSED AT LAST
4 MONTH'S BOARD MEETING WHERE IT WAS DETERMINED THAT THIS
5 NOW REQUIRED CERTIFICATION OF FINANCIAL RESPONSIBILITY
6 FOR NEW OPERATORS HAD INADVERTENTLY NOT BEEN INCLUDED,
7 WHICH YOU NOW HAVE JUST AFFIRMED IN ITEM 2.

8 LITTLE BIT OF BACKGROUND ON THE FACILITY.
9 AS YOU CAN SEE FROM THE BACKGROUND IN THE ITEM, THE
10 FACILITY'S HAD A HISTORY OF MARGINAL OPERATIONS IN
11 NONCOMPLIANCE WITH MINIMUM STANDARDS. AND WITH BROWNING
12 FERRIS INDUSTRIES ASSISTING THE CURRENT OPERATOR BY
13 IMPORTING COVER MATERIAL AND CONDUCTING EXTENSIVE GRADING
14 AND DRAINAGE REPAIR WORK, THE FACILITY WAS FOUND IN
15 COMPLIANCE BY BOARD STAFF IN FEBRUARY OF THIS YEAR, WITH
16 THE EXCEPTION OF LEACHATE STANDARD. A COMPLIANCE
17 SCHEDULE FOR THIS LEACHATE STANDARD IS INCLUDED IN THE
18 PROPOSED PERMIT.

19 STAFF HAS REVIEWED THE PROPOSED SOLID WASTE
20 FACILITIES PERMIT AND SUPPORTING DOCUMENTATION AND FIND
21 THAT THE FORM AND CONTENT OF THE PERMIT ACCEPTABLE.

22 AT THIS TIME I'D LIKE TO MAKE THE STAFF
23 RECOMMENDATION THAT THE BOARD ADOPT SOLID WASTE
24 FACILITIES PERMIT DECISION NO. 89-25, CONCURRING IN THE
25 ISSUANCE OF SOLID WASTE FACILITIES PERMIT 10 AA 0025.

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1 IF YOU DO HAVE ANY QUESTIONS, WE HAVE THE
2 LEA PRESENT, AND DIRK DUDGEON FROM BFI IS ALSO PRESENT.

3 CHAIRMAN GALLAGHER: ANY QUESTIONS? IF NOT,
4 WE'RE READY FOR A MOTION ON 89-25.

5 BOARD MEMBER BREMBERG: MR. CHAIRMAN, I WOULD
6 MOVE SOLID WASTE FACILITIES PERMIT DECISION NO. 89-25.

7 BOARD MEMBER MOSCONE: SECOND

8 CHAIRMAN GALLAGHER: WE HAVE MOVED AND SECONDED
9 THE MOVEMENT OF 89-25. ALL THOSE IN FAVOR? OPPOSED?
10 CARRIED AND SO ORDERED.

11 WE'RE NOW READY TO PROCEED TO TWO ITEMS
12 AFFECTING MENDOCINO COUNTY. PEOPLE ARE HERE FROM
13 MENDOCINO COUNTY, I UNDERSTAND. WE'D LIKE TO CONSIDER
14 ITEM NO. 8.

15 MR. DIER: MR. CHAIRMAN, BOARD MEMBERS, ITEM NO.
16 8 IS CONSIDERATION OF CONCURRENCE IN THE ISSUANCE OF A
17 PERMIT FOR THE CASPAR REFUSE DISPOSAL SITE IN MENDOCINO
18 COUNTY.

19 THE BACKGROUND ON THIS ITEM IS, JUST TO
20 SUMMARIZE, THE CASPAR SITE WAS ISSUED A GRANDFATHERED
21 PERMIT IN 1979. AS A RESULT OF THE FIVE-YEAR PERMIT
22 REVIEW, THE LOCAL ENFORCEMENT AGENCY SUBMITTED A PROPOSED
23 PERMIT FOR THE BOARD'S CONCURRENCE.

24 IN GENERAL, THE SITE'S OPERATIONS HAVE NOT
25 CHANGED MUCH SINCE THE ORIGINAL PERMIT WAS ISSUED. THE

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1 SITE STILL RECEIVES APPROXIMATELY 30 TONS PER DAY OF
2 WASTE. THE HOURS HAVE CHANGED A BIT; BUT OTHER THAN
3 THAT, THERE'S NOT BEEN MUCH CHANGE.

4 HOWEVER, STAFF NOTED IN THE REVIEW OF THE
5 UPDATED REPORT OF DISPOSAL SITE INFORMATION THAT THERE
6 WAS A PROPOSED VERTICAL INCREASE OF 34 FEET AT THE SITE,
7 WHICH WOULD EXTEND THE SITE'S LIFE BY 12 YEARS. THE LEA,
8 IN SUBMITTING THE PERMIT, THOUGH, SUBMITTED IT AS A
9 MODIFIED PERMIT WITH THE FINDING THAT THERE IS NO
10 SIGNIFICANT CHANGE IN THE DESIGN OR OPERATION OF THE
11 FACILITY.

12 BECAUSE A HEIGHT INCREASE IS CONSIDERED TO
13 BE AN EXPANSION, BOARD STAFF BELIEVE THAT THE SIGNIFICANT
14 CHANGE HAS OCCURRED, THAT, IN FACT, THE EXPANSION
15 CONSTITUTES AN OPERATION OUTSIDE THE TERMS AND CONDITIONS
16 OF THE EXISTING PERMIT, THUS, REQUIRING A REVISION OF THE
17 PERMIT.

18 IN ORDER TO ACCOMPLISH A REVISION OF THE
19 PERMIT, THERE ARE OTHER PROCEDURES NECESSARY, SUCH AS
20 COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT,
21 A FINDING OF CONFORMANCE WITH THE COUNTY SOLID WASTE
22 MANAGEMENT PLAN, AND A FINDING OF CONSISTENCY WITH THE
23 COUNTY GENERAL PLAN. NONE OF THESE FINDINGS OR
24 PROCEDURES HAVE BEEN COMPLIED WITH. IN ADDITION, THE
25 FACILITY IS NOT IN COMPLIANCE WITH STATE MINIMUM

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1 STANDARDS.

2 EVEN THOUGH THE PERMIT STATES THAT IT IS IN
3 COMPLIANCE, THERE IS AN OUTSTANDING VIOLATION OF SECTION
4 17691 OF THE CODE OF REGULATIONS AS NOTED BY A BOARD
5 INSPECTION ON OCTOBER 25, 1988. THIS VIOLATION PERTAINS
6 TO THE REMOVAL OF STOCKPILED TIRES AT THE FACILITY.

7 THE PERMIT COULD BE CONCURRED IN IF IT
8 CONTAINED A COMPLIANCE SCHEDULE FOR COMPLIANCE WITH THE
9 STANDARD. AS WAS JUST THE CASE IN CHESTNUT AVENUE,
10 THERE'S A COMPLIANCE SCHEDULE FOR COMPLIANCE WITH THE
11 STANDARD INCORPORATED IN THAT PERMIT; HOWEVER, THERE IS
12 NO SUCH SCHEDULE IN THIS PERMIT. STAFF HAVE REVIEWED THE
13 PERMIT AND SUPPORTING DOCUMENTATION AND FIND THEIR FORM
14 AND CONTENT TO BE UNACCEPTABLE FOR THE REASONS I JUST
15 OUTLINED.

16 WELL, I WOULD ALSO LIKE TO POINT OUT THAT
17 STAFF HAS CORRESPONDED WITH THE COUNTY ON TWO OCCASIONS.
18 ONE WAS BY LETTER IN NOVEMBER OF 1988, OUTLINING OUR
19 CONCERNS RELATIVE TO THE EXPANSION AND THE NEED FOR A
20 COMPLIANCE SCHEDULE. THE OTHER WAS CORRESPONDENCE IN
21 MARCH OF THIS YEAR FROM OUR PLANNING STAFF, OUTLINING THE
22 REQUIREMENTS NECESSARY FOR THE CONFORMANCE FINDING AND
23 THE ENVIRONMENTAL REVIEW.

24 BECAUSE NONE OF THESE DEFICIENCIES HAVE
25 BEEN ADDRESSED AND WE STILL HAVE A PROPOSED PERMIT BEFORE

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1 YOU, STAFF IS IN A POSITION TO RECOMMEND THE BOARD ADOPT
2 A PERMIT DECISION NO. 89-35, OBJECTING TO THE ISSUANCE OF
3 PERMIT NO. 23 AA 0003.

4 WE DO HAVE REPRESENTATIVES FROM THE LEA,
5 JERRY DAVIS, THE DIRECTOR OF ENVIRONMENTAL HEALTH
6 DEPARTMENT, AND WE HAVE A REPRESENTATIVE FROM THE
7 DEPARTMENT OF PUBLIC WORKS ALSO, WHO MAY WISH TO MAKE A
8 COMMENT AT THIS TIME IF THE BOARD DOESN'T HAVE ANY
9 QUESTIONS.

10 BOARD MEMBER BREMBERG: I HAVE A QUESTION.

11 CHAIRMAN GALLAGHER: YES. MS. BREMBERG HAS A
12 QUESTION OF STAFF, I BELIEVE.

13 BOARD MEMBER BREMBERG: DON, I SUPPORT THE
14 STAFF'S RECOMMENDATION; HOWEVER, IF THEY ACTUALLY DID
15 SOMETHING THAT MET ALL OF THESE STANDARDS, IS THERE A
16 TIME LIMIT AS TO WHEN THEY COULD COME BACK AROUND AND
17 APPLY FOR A PERMIT SHOWING THAT THEY HAVE DONE EVERYTHING
18 THAT THEY'RE SUPPOSED TO, OR DO THEY JUST DO IT AND THEN
19 COME IN? I'M THINKING SIX MONTHS' TIME FRAME, A YEAR
20 TIME FRAME.

21 MR. DIER: THERE'S NO TIME REQUIRED, PER SE, AS
22 LONG AS THEY DON'T ACTUALLY GO ABOVE THE PERMITTED HEIGHT
23 WITHOUT THE REVISED PERMIT.

24 BOARD MEMBER BREMBERG: BUT THEY OBVIOUSLY ARE
25 GOING TO HAVE TO IF THEY CONTINUE TO OPERATE AT 31 TONS A

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1 DAY.

2 MR. DIER: THAT'S CORRECT.

3 BOARD MEMBER BREMBERG: AND THEN IF THEY OPERATE
4 WITHOUT A MODIFIED PERMIT AND THEY RUN OUT OF CAPACITY,
5 THEN WHAT DO WE DO?

6 MR. DIER: OUR POSITION WOULD BE THAT THEY WOULD
7 BE IN VIOLATION OF THE PERMIT, AND WE WOULD EXPECT SOME
8 ENFORCEMENT ACTION TO BE TAKEN BY THE LEA. IF THE LEA
9 ELECTED NOT TO, THEN WE WOULD PROBABLY TAKE SOME
10 INDEPENDENT ENFORCEMENT ACTION.

11 BOARD MEMBER BREMBERG: BY THAT TIME THEY WOULD
12 HAVE GONE UP 10 FEET.

13 MR. DIER: THEY WOULD BE IN VIOLATION OF THEIR
14 PERMIT, YES.

15 BOARD MEMBER BREMBERG: THANK YOU.

16 CHAIRMAN GALLAGHER: THANK YOU. ANYTHING
17 FURTHER, DON? ARE YOU READY FOR THE --

18 MR. DIER: THOSE ARE MY COMMENTS. WE CAN HAVE
19 THE REPRESENTATIVES MAKE THEIR COMMENTS NOW AT THIS TIME.

20 CHAIRMAN GALLAGHER: I DON'T KNOW WHICH ORDER
21 YOU GENTLEMEN PREFER TO GO IN, BUT I HAVE REQUESTS. BOTH
22 OF YOU WANT TO TALK ON THE ITEM, SO IDENTIFY YOURSELF FOR
23 THE RECORD AND WE'LL TAKE IT AS YOU CALL IT.

24 MR. BELLISTON: THANK YOU, MR. CHAIRMAN. MY
25 NAME IS ED BELLISTON. I AM THE ASSISTANT DIRECTOR OF



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1 PUBLIC WORKS FOR THE COUNTY OF MENDOCINO. I HAVE A VERY
2 BRIEF PREPARED STATEMENT. I'VE MADE SOME COPIES IF THE
3 BOARD WOULD LIKE TO HAVE TO FOLLOW ALONG.

4 I MIGHT PREFACE MY REMARKS A LITTLE BIT.
5 THIS HAS BEEN KIND OF INTERESTING THE LAST HOUR WITH YOU
6 OR LAST HALF HOUR WITH YOU. WE HAVE SUBMITTED OUR
7 CERTIFICATION, BY THE WAY, REGARDING CLOSURE AND
8 POSTCLOSURE, AND WE HAVE SUBMITTED TO THE FIVE-YEAR
9 PERMIT PROCESS. WE'RE APPARENTLY ONE OF ONLY 20 PERCENT.
10 THAT SHOULD SAY SOMETHING ABOUT THE COOPERATIVE AND
11 WORKING ATTITUDE WE HAVE ABOUT COMPLYING WITH
12 REGULATIONS.

13 TODAY WE ACKNOWLEDGE THE BOARD'S HEAVY
14 AGENDA AND ASSOCIATED TIME CONSTRAINTS, AND WE WOULD LIKE
15 TO MAKE A BRIEF COMMENT IN SUPPORT OF THE LOCAL
16 ENFORCEMENT AGENCY'S ACTION AND REQUEST THE BOARD CONCUR
17 WITH THAT ACTION.

18 WE'RE CONCERNED WITH THE TONE OF THE STAFF
19 REPORT THAT SUGGESTS WE'VE BEEN UNCOOPERATIVE AND FAILED
20 TO COMPLY WITH ALL APPLICABLE REGULATIONS. STAFF
21 CONTENDS THAT THE PERMIT MODIFICATIONS APPLIED BY THE LEA
22 CONSTITUTE A SIGNIFICANT CHANGE; AND, THEREFORE, THE
23 PERMIT REVIEW PROCESS, AS COMPLETED BY MENDOCINO COUNTY
24 AND THE LEA, IS NOT APPLICABLE. BECAUSE OF THEIR
25 POSITION, STAFF HAS MANDATED WE SUBMIT AN APPLICATION FOR



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1 A REVISION OF A PERMIT IN ACCORDANCE WITH PROVISIONS IN
2 SECTION 18211 OF YOUR ADMINISTRATIVE REGULATIONS.

3 THE REGULATIONS SPECIFY AN APPLICATION FOR
4 A REVISION OF A PERMIT BE HANDLED IN THE SAME MANNER AS
5 AN APPLICATION FOR A PERMIT FOR A NEW FACILITY. THAT
6 APPLICATION, OBVIOUSLY, REQUIRES THE ADDITIONAL
7 DOCUMENTATION STAFF HAS REQUESTED BE PROVIDED.

8 THE ISSUE WE WANT TO DISCUSS IS WHETHER OR
9 NOT THE MODIFICATIONS OF THE PERMIT RESULTING FROM THE
10 FIVE-YEAR REVIEW CONSTITUTE A SIGNIFICANT CHANGE. IF
11 THEY DO NOT, THE LEA HAS ACTED PROPERLY WITHIN THEIR
12 AUTHORITY, AND THE BOARD SHOULD CONCUR WITH THE LEA'S
13 DECISION.

14 MODIFICATIONS APPLIED TO OUR PERMIT FOR THE
15 CASPAR SITE WOULD ALLOW THE HEIGHT OF THE MOUND TO EXCEED
16 THAT ENVISIONED BACK IN 1977 BY 30 TO 35 FEET AND WOULD
17 PERMIT THE SITE TO BE OPERATED THROUGH THE YEAR 2000.
18 THE ABILITY TO EXTEND THE LIFE OF THE SITE WITHOUT
19 EXPANSION OF THE ACTIVE DISPOSAL AREA IS DUE TO TWO
20 FACTORS: IMPROVED EFFICIENCY IN THE USE OF SPACE. WE'RE
21 DOING A MUCH BETTER JOB OF COMPACTING AND UTILIZATION OF
22 CELLS AND COVER THAN WE ANTICIPATED OR WERE ABLE TO DO IN
23 1977. AND ASSOCIATED WITH THE INCREASE IN THE HEIGHT OF
24 THE MOUND, WE CAN PROBABLY OPERATE FOR ANOTHER THREE OR
25 FOUR YEARS BEFORE WE'D BE IN VIOLATION OF THE PERMIT

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1 REQUIREMENTS THAT ARE THERE NOW. IN OTHER WORDS, WE
2 WON'T BEGIN TO ENCROACH BEYOND THE HEIGHT THAT WAS SET IN
3 THE ORIGINAL PERMIT IN 1977 ANOTHER THREE OR FOUR YEARS.

4 WE HAVE NOT IDENTIFIED ANY SIGNIFICANT
5 ENVIRONMENTAL ISSUES WITH EITHER OF THESE FACTORS; THAT
6 IS, THE IMPROVED COMPACTION, IMPROVED EFFICIENCY OF USE
7 OF SPACE, OR THE INCREASED HEIGHT IN THE MOUND.

8 MAY WE DIRECT YOUR ATTENTION TO THE REPORT
9 OF THE SOLID WASTE ADVISORY COMMITTEE ON SIGNIFICANT
10 CHANGE ADOPTED BY THE BOARD IN MAY OF 1987. IN THE
11 REPORT PREFACE IT READS:

12 "THIS DECISION -- IT IS REFERRING
13 TO THE DECISION OF THE
14 MODIFICATIONS AS A SIGNIFICANT
15 CHANGE -- DESERVES SPECIAL
16 CONSIDERATION SINCE PERMIT
17 REVISIONS INVOLVE A SERIES OF
18 COMPLEX, COSTLY, AND TIME-CONSUMING
19 ACTIONS FOR PUBLIC AND PRIVATE
20 OPERATORS, LOCAL GOVERNMENT
21 OFFICIALS, AND STATE REGULATORY
22 STAFF."

23 THAT'S A QUOTE FROM YOUR GUIDELINES THAT
24 WAS ADOPTED BY -- THROUGH THE COMMITTEE'S WORK.

25 IT WAS, IT SEEMS, THE INTENT OF THE



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1 COMMITTEE TO PRESERVE THE GREATEST LATITUDE POSSIBLE AT
2 THE LOCAL LEVEL.

3 IN THE BACKGROUND SECTION, THE REPORT
4 STATES:

5 "VARIATIONS IN CONDITIONS
6 THROUGHOUT THE STATE, COUPLED WITH
7 A DESIRE TO AVOID RESTRICTIVE
8 GUIDELINES, PROMPTED THE COMMITTEE
9 TO RECOMMEND LIBERAL GUIDELINES
10 THAT IDENTIFY POSSIBLE INDICATORS
11 OF SIGNIFICANT CHANGE WHILE
12 REINFORCING THE CURRENT AUTHORITY
13 STRUCTURE AND RESPONSIBILITY FOR
14 DETERMINATION OF SIGNIFICANT CHANGE
15 THAT RESTS WITH LOCAL GOVERNMENT."

16 IN THE SECTION IDENTIFYING SPECIFIC AREAS
17 OF CONCERN, THE GUIDELINES MAKE IT CLEAR THAT THE BOARD
18 DOES NOT WANT TO ERODE THE STATUTORY AUTHORITY CURRENTLY
19 VESTED IN LOCAL ENFORCEMENT AGENCIES TO MAKE LOCAL
20 DETERMINATIONS ABOUT LOCAL HEALTH ISSUES.

21 BOTTOM LINE: THE LOCAL ENFORCEMENT AGENCY
22 HAS MADE A DETERMINATION THAT MODIFICATIONS TO THE PERMIT
23 RESULTING FROM THE THREE-YEAR PERMIT -- FIVE-YEAR PERMIT
24 REVIEW PROCESS DO NOT CONSTITUTE A SIGNIFICANT CHANGE AND
25 HAVE NOT SOLICITED AN APPLICATION FOR A REVISION OF THE

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1 PERMIT FROM THE SITE OPERATORS, WHO IS MENDOCINO COUNTY.

2 UNDER ITS ADOPTED GUIDELINES, THE BOARD HAS
3 THE AUTHORITY AND RESPONSIBILITY TO CONCUR WITH THE LEA'S
4 CONCLUSION.

5 AT THE LAST INSPECTION IN OCTOBER OF 1988,
6 THE BOARD STAFF CONCLUDED THE SITE LOOKS VERY GOOD. WE
7 WANT TO CONTINUE DIRECTING OUR EFFORTS AND RESOURCES
8 TOWARD OPERATIONS OF THE SITE IN COMPLIANCE WITH ALL
9 ESTABLISHED STANDARDS AND NOT HAVE TO REDIRECT THAT
10 EFFORT AND THOSE LIMITED RESOURCES INTO A PAPERWORK
11 NIGHTMARE WITH AN UNDETERMINABLE OUTCOME.

12 I THANK YOU FOR YOUR ATTENTION. OF COURSE,
13 BE ABLE TO RESPOND TO ANY QUESTIONS YOU MIGHT HAVE. I
14 HAVE SOME PHOTOGRAPHS, WHILE MR. DAVIS IS SPEAKING, IF
15 YOU'D LIKE TO LOOK AT THEM. THEY'RE PHOTOGRAPHS THAT
16 WERE TAKEN LAST WEEK OF THIS SITE. IT'S LOCATED ON THE
17 COAST IN MENDOCINO COUNTY ABOUT THREE MILES INLAND FROM
18 THE COMMUNITY OF CASPAR.

19 UNLESS YOU HAVE ANY QUESTIONS OF ME, MR.
20 DAVIS HAS A FEW BRIEF COMMENTS.

21 CHAIRMAN GALLAGHER: THANK YOU, MR. BELLISTON.

22 ANY QUESTIONS OF MR. BELLISTON?

23 THANK YOU.

24 MR. DAVIS: MR. CHAIRMAN, AND MEMBERS OF THE
25 BOARD, MY NAME IS JERRY DAVIS. I'M THE DIRECTOR OF



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1 ENVIRONMENTAL HEALTH IN MENDOCINO COUNTY AND ALSO THE
2 LOCAL ENFORCING AGENCY FOR THE SOLID WASTE MASTER PLAN.

3 AND I'M NOT GOING TO COVER THE SAME GROUND
4 AS MR. BELLISTON HAS IN DEFERENCE TO THE HEAVY SCHEDULE
5 YOU HAVE TODAY, BUT I'D LIKE TO MAKE JUST A COUPLE OF
6 POINTS.

7 THE FIRST ONE IS IT SEEMS LIKE MUCH OF THE
8 ISSUE HERE REVOLVES AROUND THE TERMINOLOGY "SIGNIFICANT
9 CHANGE." I'M SURE THAT A LOT OF PERMITS HAVE COME BEFORE
10 YOU HAVE THE SAME ISSUE THAT HAVE TO BE DEALT WITH.

11 IT IS OUR BELIEF, AS THE LOCAL ENFORCING
12 AGENCY, THAT THE TERM "SIGNIFICANT" SHOULD REFER TO
13 SIGNIFICANT IMPACTS. AND I THINK THAT'S WHAT THE DESIRED
14 OUTCOME OF THIS WHOLE PROCESS IS IS SAFE, ENVIRONMENTALLY
15 SOUND SOLID WASTE DISPOSAL. AND WE WENT THROUGH A LONG
16 PROCESS OF LOOKING AT THIS CHANGE IN THE OPERATION OF THE
17 CASPAR SITE, AND WHAT WE TRIED TO KEEP IN MIND WAS,
18 AGAIN, WHEN I SAY, THE DESIRED OUTCOME. AND WE FAILED TO
19 FIND THAT THE PLAN TO INCREASE THE HEIGHT OF THE PILE AT
20 THE CASPAR SITE CONSTITUTED A SIGNIFICANT IMPACT OR WOULD
21 CONSTITUTE A SIGNIFICANT IMPACT FROM THE SOLID WASTE
22 FACILITY.

23 AND WE, THEREFORE, MADE THE DETERMINATION
24 LOCALLY THAT WE DID NOT FEEL THAT THIS WAS A SIGNIFICANT
25 CHANGE IN THE OPERATION.

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1 I RECALL IN 1979 WHEN WE FIRST ISSUED THE
2 FACILITY PERMIT FOR CASPAR, THE, LET'S SAY, THE TIGHTNESS
3 OF THE APPLICATION OF THE REGULATIONS WAS NOT QUITE WHAT
4 IT IS NOW. AND AT THE TIME IF I WOULD HAVE KNOWN THAT WE
5 WERE GOING TO BE LOCKED INTO 30 FEET OR 35 FEET OR 40
6 FEET, WE PROBABLY WOULD HAVE PUT IN 40 FEET OR 45 FEET,
7 AT THE TIME, BECAUSE WE DO NOT SEE WHERE THIS CONSTITUTES
8 A POTENTIAL SIGNIFICANT IMPACT FROM THE OPERATION OF THE
9 FACILITY.

10 THE SECOND THING I'D LIKE TO MENTION IS
11 THAT THE VIOLATION THAT HAS BEEN MENTIONED IS TIRES.
12 WE -- CASPAR HAS A STOCKPILE OF TIRES. AND OVER THE
13 YEARS THE LEA AND THE COUNTY HAVE NOT BEEN PARTICULARLY
14 HAPPY WITH HAVING A STOCKPILE OF TIRES THERE; BUT DURING
15 THE INSPECTIONS, WE'VE NEVER NOTED AN ACTUAL HEALTH
16 HAZARD FROM THE TIRES, EITHER THROUGH LEACHATE GENERATION
17 OR VECTOR BREEDING OR OTHER TYPES OF POTENTIAL HEALTH
18 RISK.

19 THE REPORT FROM THE STATE INSPECTOR
20 IDENTIFIES THE PROBLEM OF THE POTENTIAL HEALTH RISK. WE
21 DON'T DENY THAT A LARGE STOCKPILE OF TIRES IS A POTENTIAL
22 HEALTH RISK; HOWEVER, IN ALL THE YEARS THAT WE HAVE BEEN
23 INSPECTING THE CASPAR FACILITY, WE HAVE NOT SEEN IT TO BE
24 AN ACTUAL HEALTH RISK. NEVERTHELESS, WE WILL BE ABLE TO
25 PROVIDE DOCUMENTATION VERY SHORTLY THAT WE WILL HAVE THE

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1 TIRES REMOVED WITHIN 90 DAYS. WE HAVE MADE ARRANGEMENTS.

2 IT IS VERY COSTLY, AS YOU ARE PROBABLY WELL
3 AWARE, BUT IN DISCUSSIONS WITH PUBLIC WORKS, IT WAS
4 DETERMINED IT WAS NOT A PROBLEM THAT WAS GOING TO GO AWAY
5 AND WE'D BETTER DEAL WITH IT NOW.

6 THE LAST THING THAT I'D JUST LIKE TO
7 MENTION VERY BRIEFLY IS THAT I'VE PERSONALLY -- I'VE BEEN
8 WITH MENDOCINO COUNTY SINCE 1969, AND I'VE PERSONALLY
9 SEEN THE CASPAR FACILITY GO FROM A HOLE IN THE WATER
10 TABLE IN WHICH INDUSTRIAL WASTE WAS DUMPED TO THE CURRENT
11 FACILITY. IT'S A LONG HARD ROAD AND IT'S A VERY COSTLY
12 ROAD, AS YOU PROBABLY ARE WELL AWARE, BUT I'VE SEEN THE
13 CASPAR FACILITY ESTABLISH A TRACK RECORD OF IMPROVEMENT
14 OVER THE YEARS.

15 IT HASN'T ALWAYS BEEN AS FAST AS PEOPLE
16 WOULD LIKE. IT HASN'T ALWAYS BEEN AS QUICKLY AS THE
17 STATE BOARD WOULD LIKE TO SEE, AND NOT AS QUICKLY AS THE
18 COUNTY WOULD LIKE TO SEE; BUT CERTAINLY WITHIN THE
19 RESOURCES OF THE COUNTY, THE FACILITY HAS BEEN
20 CONSISTENTLY IMPROVED TO THE POINT WHERE NOW WE HAVE NOT
21 SEEN LEACHATE GENERATION THIS YEAR. WE HAVE NOT SEEN
22 SOME OF THE PROBLEMS THAT WE DID HAVE IN PAST YEARS, AND
23 WE FEEL VERY STRONGLY THAT WE WOULD RATHER USE OUR
24 RESOURCES ON IMPROVING THE FACILITY THAN BEGINNING A VERY
25 EXPENSIVE AND COSTLY PAPERWORK PROCESS OF CEQA WHERE WE

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1 DON'T SEE AN ENVIRONMENTAL IMPACT.

2 THANK YOU.

3 CHAIRMAN GALLAGHER: THANK YOU, MR. DAVIS. ANY
4 QUESTIONS?

5 MR. BEAUTROW.

6 BOARD MEMBER BEAUTROW: WE'RE, I BELIEVE, VERY
7 SENSITIVE TO THE DIVERSITY OF THE STATE AND KNOWING THAT
8 EACH COUNTY HAS THEIR OWN PARTICULAR SETS OF PROBLEMS,
9 BUT I GOT TO HARKEN BACK TO -- CONHEIM MIGHT HAVE SAID
10 THIS BEFORE -- ABOUT THE PRUDENT MAN RULE. WE'VE
11 AGONIZED OVER WHAT CONSTITUTES A SIGNIFICANT CHANGE, AND
12 I'M NOT SURE THAT WE REALLY ALL FULLY UNDERSTAND THAT,
13 BUT THERE'S CERTAIN CONCEPTS AND IDEAS THAT WE HAVE.

14 AND WHAT -- I DON'T THINK UNDER A PRUDENT
15 MAN'S EYES THERE'S ANY WAY THAT YOU COULD NOT SAY THAT
16 THIS IS A SIGNIFICANT CHANGE. I MEAN, THIS IS SOMETHING.
17 AND YOU CAN'T JUST SAY THAT, "WELL, WE'RE UP HERE AND
18 WE'RE OUTSIDE THE LIMITS OF EVERYBODY ELSE."

19 WE'RE RESPONSIBLE FOR UNIFORMLY APPLYING A
20 SET OF STANDARDS AND LAWS THROUGHOUT THE STATE; AND,
21 UNFORTUNATELY, THERE IS -- YOU INDICATED IT'S A BLIZZARD
22 OF PAPERWORK, BUT I'M SURE THAT THERE IS WAYS OF DEALING
23 WITH THIS AND TRYING TO BE SENSITIVE TO YOUR OWN
24 PARTICULAR PROBLEMS. I THINK YOU MUST UNDERSTAND THAT WE
25 CAN'T JUST LOOK THE OTHER WAY AND HERE'S A MOUNTAIN.

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1 I MEAN, THERE'S NO WAY THAT YOU CAN SAY
2 THIS IS NOT A SIGNIFICANT CHANGE, EVEN UNDER MANY
3 INTERPRETATIONS. AND WHAT YOU'RE TRYING TO DO IS
4 INTERPRET IT IN YOUR OWN LIGHT, AND WE HAVE TO TAKE, I
5 THINK, A BROADER VIEW OF THAT. AND THAT'S WHAT I THINK
6 WE SHOULD CONSIDER HERE.

7 MR. DAVIS: THAT'S CERTAINLY -- OBVIOUSLY THE
8 BOARD'S PREROGATIVE. WE DIDN'T SEE 30 MORE FEET AS
9 CREATING A MOUNTAIN. THAT WAS OUR OPINION.

10 BOARD MEMBER BREMBERG: THAT'S A THREE-STORY
11 BUILDING.

12 CHAIRMAN GALLAGHER: MR. ARAKALIAN.

13 BOARD MEMBER ARAKALIAN: I'M SORT OF LISTENING
14 TO THIS AND GETTING THE PICTURE THAT'S GOING UP, IN THIS
15 CASE, IS NOT QUITE AS SIGNIFICANT AS GOING OUT. LIKE IF
16 IT WERE GOING TO TAKE MORE ACREAGE OR A NEW SITE,
17 EXPANSION OF THE SITE, THAT'S ONE THING, BUT GOING UP IS
18 ANOTHER. THEN AT THAT POINT, I LOOK AT THESE PICTURES
19 AND I'M ASSUMING THEY'RE MEANT TO SHOW US THAT BEING OUT
20 IN THE BOONIES HERE, LITTLE BIT EXTRA HEIGHT WOULD NOT BE
21 SO SIGNIFICANT.

22 IF THAT BE THE CASE, THEN A FEW ACRES MORE
23 OR LESS OUT HERE WOULDN'T MAKE ANY DIFFERENCE EITHER, IF
24 YOU WANT TO USE THAT LOGIC LINE OR IF I WANT TO LISTEN TO
25 THAT. SO I'M THINKING WAY OUT WHERE IT IS, ONE IS AS

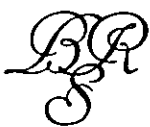
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1 SIGNIFICANT AS THE OTHER. IF WE WERE TO TAKE EXPANSION
2 AS A SIGNIFICANT FACTOR, WHY THEN WOULDN'T WE TAKE
3 HEIGHT? YOU SEE MUCH DIFFERENCE IN WHETHER IT WAS 30
4 FEET HIGHER OR LOWER? EXCEPT IF IT SNOWS AND YOU'RE THAT
5 MUCH HIGHER, BUNNY SLOPES OUT THERE. THAT'S 35 MORE
6 FEET, YOU SAY, OR 35 TOTAL?

7 MR. BELLISTON: THIRTY-FIVE MORE FEET, SIR.

8 BOARD MEMBER ARAKALIAN: SIGNIFICANT AS THE
9 OTHER IN MY EYES.

10 CHAIRMAN GALLAGHER: ANY FURTHER QUESTIONS?

11 BOARD MEMBER BROWN: MR. CHAIRMAN, I HAVE A
12 QUESTION. I'M A LITTLE BIT CONFUSED. ORIGINALLY THE
13 SITE WAS PERMITTED FOR WHAT KIND OF HEIGHT?

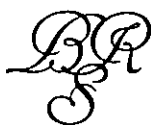
14 MR. IWAHIRO: 45 FEET IS THE -- THE ELEVATION
15 WOULD HAVE BEEN 440 FEET, AND IT'S GOING UP TO 474 FEET
16 IN ELEVATION NOW.

17 BOARD MEMBER BROWN: IT'S THERE NOW OR IT'S
18 PROPOSED TO GO THERE?

19 MR. IWAHIRO: PROPOSED.

20 BOARD MEMBER BROWN: THAT PROPOSAL CAME TO US IN
21 THE FORM OF A REQUEST, A STATEMENT? HOW DID THAT GET TO
22 US?

23 MR. DIER: IT GOT TO US IN THE FORM OF A
24 MODIFIED PERMIT, WHICH WAS ACCOMPANIED BY AN UPDATED
25 REPORT OF DISPOSAL SITE INFORMATION, WHICH DESCRIBED THIS



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1 ADDITIONAL HEIGHT.

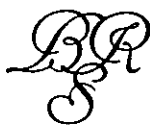
2 AND WHAT THE LEA AND OPERATOR WERE
3 REQUESTING OF THIS BOARD WAS FOR US TO AUTHORIZE THAT
4 HEIGHT INCREASE MERELY BY THE MODIFIED PERMIT WITHOUT THE
5 REQUIREMENTS OF ENVIRONMENTAL REVIEW, COUNTY SOLID WASTE
6 PLAN CONFORMANCE, OR GENERAL PLAN CONSISTENCY, WHICH
7 STAFF'S POSITION IS THOSE ARE REQUIRED TO EXPAND A SITE.
8 WE FEEL THAT THE HEIGHT INCREASE CONSTITUTES AN EXPANSION
9 OF THIS SITE.

10 BOARD MEMBER BROWN: I RELUCTANTLY HAVE TO
11 AGREE. I WISH THERE WERE SOMETHING MORE CONCRETE, SUCH
12 AS AN INCREASE IN DAILY TONNAGE, SOMETHING THAT WE COULD
13 PUT OUR FEET DOWN WITH. THERE IS NO INCREASE. THIS IS
14 REALLY A BENEFIT TO THE STATE OF CALIFORNIA IN THAT
15 THERE'S INCREASED CAPACITY NOW WITH NO INCREASE IN DAILY
16 TONNAGE. AND I CAN FULLY UNDERSTAND WHAT THEY ARE TRYING
17 TO DO IN TERMS OF SAVING MONEY AND PAPERWORK AND SO
18 FORTH.

19 UNFORTUNATELY, I HAVE TO TAKE THE POSITION
20 THAT MR. BEAUTROW HAS, THAT WE'RE TRYING TO EVENLY
21 ADMINISTER SOMETHING THROUGHOUT THE STATE HERE, AND IT
22 MAKES IT DIFFICULT. HOLD ON FOR A WHILE HERE.

23 CHAIRMAN GALLAGHER: THANK YOU. ANY FURTHER
24 QUESTION?

25 MR. CONHEIM.



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1 ATTORNEY CONHEIM: JUST ANOTHER PERSPECTIVE.

2 THE PROBLEM WITH THE ONGOING DELIBERATION
3 OVER SIGNIFICANT CHANGE HAS BEEN ITS RELATIONSHIP TO
4 CEQA. AND I'VE ALWAYS FELT THAT WHILE THERE IS A VERY,
5 VERY DIRECT RELATIONSHIP BETWEEN SIGNIFICANT CHANGE AND
6 SIGNIFICANT ENVIRONMENTAL IMPACT, THAT THE TERM
7 "SIGNIFICANT CHANGE" IN OUR LAW IS BROADER. AND ONE OF
8 THE ASPECTS OF SIGNIFICANT CHANGE IS VERY CLEARLY STATED
9 IN THE LAW, NOT ONLY AN OPERATIONAL CHANGE BUT A DESIGN
10 CHANGE. AND THAT'S WHY YOU REACH THE CONCLUSION, ALMOST
11 INEXORABLY, THAT A 35-FOOT INCREASE IN HEIGHT HAS GOT TO
12 BE CONSIDERED A DESIGN CHANGE OF SOME PROPORTION.

13 IT'S UP TO LOCAL GOVERNMENT AND THEN US TO
14 REVIEW AS TO WHETHER THAT DESIGN CHANGE IS GOING TO
15 INVOLVE ENGINEERING OR OPERATIONAL ASPECTS THAT ARE
16 CHANGED FROM BEFORE; BUT REMEMBER THAT IT IS NOT ONLY
17 SIGNIFICANT ENVIRONMENTAL IMPACT, AND I THINK THAT'S THE
18 WAY YOU LOOK AT IT A LOT OF THE TIME. THAT'S THE WAY I
19 THINK THE DIRECTOR HERE HAS LOOKED AT IT, AT LEAST IN
20 WHAT HE SAID TO US.

21 CHAIRMAN GALLAGHER: ANY OTHER QUESTIONS? I'D
22 LIKE TO ASK A QUESTION. I'M ASSUMING THAT YOUR REQUEST
23 IS BASED UPON INCREASING THE LIFE OF THAT DISPOSAL SITE.
24 AND IF IT IS, I'D LIKE TO ASK HOW MANY ADDITIONAL YEARS
25 DO YOU ANTICIPATE THIS EXTRA HEIGHT WOULD GIVE YOU ON

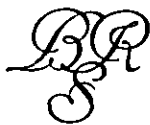
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1 THAT FACILITY? AND AS A SECONDARY FOLLOW-UP QUESTION TO
2 THAT, IS IT INVOLVED IN YOUR BEING ABLE TO MEET YOUR
3 EIGHT-YEAR LIMIT OR EIGHT-YEAR CAPACITY REQUIREMENT UNDER
4 THE COSWMP?

5 MR. BELLISTON: WHEN WE RECENTLY WENT THROUGH
6 OUR CLOSURE/POSTCLOSURE PROCESS IN REVIEWING OUR NEEDS,
7 THIS MODIFICATION, THIS INCREASE IN HEIGHT, TOGETHER WITH
8 THE IMPROVED EFFORTS OF COMPACTION AND WHATNOT, WILL
9 EXTEND THE LIFE OF THIS SITE WITHOUT EXPANDING IN A
10 HORIZONTAL DIRECTION THROUGH THE YEAR 2000.

11 MENDOCINO COUNTY IS NOW GROPING VERY HARD
12 AND FAST WITH THE CONCEPT OF A REASONABLE DISPOSAL, TO
13 PUT THE DISPOSAL UNDER A REGIONAL SETUP RATHER THAN
14 INDIVIDUAL CITIES AND THE COUNTY, AND TO TRY TO BRING
15 ABOUT A FINANCING STRUCTURE RATHER THAN RELYING ON THE
16 GENERAL FUND EACH YEAR AS WE DO.

17 BUT THIS WOULD INCREASE THE CAPACITY
18 THROUGH THE YEAR -- THE SITE HAS THE CAPACITY ON THIS
19 PLAN THROUGH THE YEAR 2000, AND IT WOULD BE PART OF OUR
20 EIGHT YEARS, YES.

21 CHAIRMAN GALLAGHER: THANK YOU VERY MUCH! I
22 KNOW IT'S VERY DIFFICULT TO VOTE AGAINST THIS BECAUSE WE
23 CRY ALL THE TIME THAT WE'RE OUT OF LANDFILL SPACE AND
24 WE'RE TRYING TO SITE NEW ONES AND WE'RE TRYING TO BE SURE
25 WE HAVE ENOUGH CAPACITY, AND HERE WE ARE IN OUR GREAT



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1 WISDOM TAKING A VOTE TO REJECT THE VERY ARGUMENTS THAT
2 WE'RE MAKING FOR OURSELVES. I'M SYMPATHETIC, BUT I THINK
3 WE'RE BETWEEN A ROCK AND A HARD SPOT. THERE'S NOT A HELL
4 OF A LOT WE CAN DO AND STILL BE CONSIDERED EQUITABLY
5 ADMINISTERING THE LAW ACROSS HORIZONTAL LINES THROUGHOUT
6 THE STATE. IT'S A DIFFICULT ONE. WELL, YOU'VE ALL HAD
7 AN OPPORTUNITY.

8 BOARD MEMBER VARNER: I WANTED TO ASK A
9 QUESTION. CAN ANYONE TELL ME JUST WHAT ALL IS GOING TO
10 BE INVOLVED? SAY, WE DETERMINE THIS AS A SIGNIFICANT
11 CHANGE AND THEY HAVE TO GO THROUGH SOME ADDITIONAL
12 PROCESS HERE. AS I UNDERSTAND IT, THEY HAVE TO GO
13 THROUGH AN ADDITIONAL PROCESS IN ORDER TO BE ABLE TO DO
14 THIS. WHAT ALL IS INVOLVED HERE? HOW MUCH TIME IS
15 INVOLVED? WHAT ALL IS INVOLVED? AND WHAT HAS TO BE
16 DETERMINED SO THAT WE'D COME UP, SAY, THAT WE COULD COME
17 UP WITH ALLOWING THEM TO GO AHEAD AND DO THIS UNDER THE
18 SIGNIFICANT CHANGE PART?

19 MR. DIER: THE PROCESS WOULD -- WELL, TO ANSWER
20 THE FIRST QUESTION, IT WOULD PROBABLY TAKE AT LEAST SIX
21 MONTHS AS A MINIMUM. I WOULDN'T VENTURE A GUESS ON THE
22 OUTSIDE OF IT. THE FIRST THING WOULD BE TO CONDUCT AN
23 ENVIRONMENTAL REVIEW, AND THEN THERE WOULD NEED TO BE AN
24 EXAMINATION OF THE COUNTY SOLID WASTE PLAN TO SEE IF IT'S
25 ADEQUATELY -- SEE IF THIS EXPANDED FACILITY IS ADEQUATELY

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1 DESCRIBED. AND IF NOT, THAT PLAN MAY NEED TO BE AMENDED.

2 THEN AN EXAMINATION OF THE COUNTY GENERAL
3 PLAN TO MAKE SURE THAT IT ADEQUATELY DESCRIBES THE
4 EXPANDED FACILITY. AND IF NOT, THAT WOULD HAVE TO BE
5 AMENDED. AND AFTER THOSE ACTIONS ARE TAKEN, THE LEA
6 WOULD BE ABLE THEN TO SUBMIT TO US A PROPOSED PERMIT FOR
7 CONSIDERATION. LIKE I SAID, THAT WOULD BE A MINIMUM, I'M
8 GUESSING, A MINIMUM OF SIX MONTHS.

9 BOARD MEMBER VARNER: THAT'S ASSUMING THAT THEY
10 DIDN'T FIND SOME KIND OF AN ENVIRONMENTAL PROBLEM?

11 MR. DIER: CORRECT.

12 CHAIRMAN GALLAGHER: MR. ARAKALIAN.

13 BOARD MEMBER ARAKALIAN: I'D LIKE TO ASK A
14 QUESTION ON THIS SUBJECT THAT SKEET JUST BROUGHT UP. YOU
15 MENTIONING A FEW ITEMS THAT HAVE TO BE DONE. OTHER THAN
16 THE TIME ELEMENT, WHICH YOU SAY COULD BE AS MUCH AS SIX
17 MONTHS, IS THAT A VERY DIFFICULT TASK, WHETHER IT BE
18 MONETARY OR OTHERWISE? I MEAN, IS THIS GOING TO BE A
19 BIG, BIG OUTLAY OR A BIG BURDEN OF ANY KIND, OR A MATTER
20 OF FORMALITIES OF GOING THROUGH THESE STEPS?

21 MY REASON ASKING THAT IS IF YOU -- ASSUMING
22 YOU DON'T RUN INTO PROBLEMS OR THEY DON'T RUN INTO ANY
23 PROBLEMS COMPLYING, THERE SHOULDN'T BE ANY GREAT PROBLEM
24 THERE. THEY SAID THAT THEY STILL HAVE ENOUGH HEIGHT
25 LEFT, SO THE TIME SHOULDN'T BE A SIGNIFICANT FACTOR. AND

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1 IF THEY DID RUN INTO A STUMBLING BLOCK FOR NOT COMPLYING,
2 WELL, THEN THERE WOULD BE A VALID PROBLEM THAT WE SHOULD
3 NOT BE ISSUING IT FOR.

4 AND SO IF NO STUMBLING BLOCK COMES UP, HOW
5 DIFFICULT AND COSTLY IS THIS PROCESS GOING TO BE? YOU
6 KNOW, THE WORDS DIDN'T MEAN MUCH TO ME.

7 MR. BELLISTON: MAY I DIRECT AN ANSWER TO THAT?

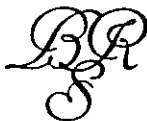
8 BOARD MEMBER ARAKALIAN: I'D LOVE TO HAVE YOU.

9 MR. BELLISTON: I THINK I TRIED TO IN THE
10 WRITTEN WORD. THE PROCESS IT THROWS US INTO IS AS IF IT
11 WERE A NEW SITE. SO WE GET INTO THE PUBLIC HEARING, WE
12 GET INTO THE PUBLIC INVOLVEMENT, WE GET INTO THE -- ALL
13 THE ISSUES AS IF IT WERE TRYING TO SITE A NEW SITE, AND
14 THAT COULD COST -- WHO CAN PUT A TOP NUMBER ON THE DOLLAR
15 AND THE AMOUNT OF STAFF TIME THAT WILL TAKE, THAT WE'LL
16 REDIRECT AWAY FROM OPERATING AND PROVIDING A SERVICE.

17 CHAIRMAN GALLAGHER: MR. BROWN.

18 BOARD MEMBER BROWN: IT OCCURS TO ME, THOUGH,
19 THAT YOU ARE ASKING TO BYPASS SOME OF THIS, AND YOU CAN
20 HEAR THE SENTIMENT HERE. WE'RE IN A DIFFICULT SITUATION.
21 HOWEVER, YOU ARE ONLY ASKING FOR THAT FOR ROUGHLY 10
22 YEARS, 11 YEARS AT THE MOST. IT SEEMS TO ME THAT'S AN
23 AWFULLY SHORT TIME. TEN YEARS GOES BY RATHER QUICKLY.
24 YOU'LL BE RIGHT BACK HERE TRYING TO DO SOMETHING AGAIN.
25 WOULD YOU BE TRYING TO DO SOMETHING AGAIN IN ANOTHER

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1 TEN-YEAR INCREMENT?

2 IT ALMOST SEEMS TO ME THAT IF YOU'RE GOING
3 TO HAVE TO GO THROUGH THE PROCESS THAT WE'RE GOING TO
4 APPARENTLY HAVE TO REQUIRE, BOY, WHY DON'T YOU GO OUT FOR
5 A 40-YEAR SITE OR 40-YEAR ADDITION? THAT MAKES THE COST
6 AT LEAST MORE PALATABLE.

7 MR. BELLISTON: MR. BROWN, CAN I ADDRESS THAT?
8 THAT'S PROBABLY A GOOD POINT TO BRING. AS I TRIED TO
9 EXPLAIN, THIS PARTICULAR SITE IS AN EXTREMELY EXPENSIVE
10 SITE TO OPERATE. WE HAVE TO IMPORT ALL MATERIAL. ALL
11 MATERIAL HAS TO BE IMPORTED, SOME OF IT FOR AS MUCH AS
12 FOUR AND FIVE MILES AWAY. IT'S AN EXTREMELY EXPENSIVE
13 SITE TO OPERATE.

14 THE LONG-TERM SOLUTION TO THIS IS TO
15 CONSOLIDATE THE LANDFILLS IN MENDOCINO COUNTY IN SOME
16 KIND OF A REASONABLE FACILITY. THAT IS THE DIRECTION
17 THAT THE COUNTY IS ATTEMPTING TO GO NOW. HOPEFULLY, OVER
18 THE NEXT TWO OR THREE YEARS, THERE WILL BE SOME GREAT --
19 WE'VE GOT TO MAKE SOME REAL ADVANCES IN THAT DIRECTION,
20 WITH THE IDEA THAT AT THE YEAR 2000 THIS SITE WILL EITHER
21 BE CONVERTED TO A TRANSFER STATION OR WILL SIMPLY BE
22 CLOSED AND MATERIALS TAKEN ELSEWHERE.

23 SO THAT IS ANOTHER REASON THAT WE FOUND A
24 MECHANISM THAT, IN OUR OPINION, IS ENVIRONMENTALLY SOUND
25 TO MAINTAIN THIS SITE. WE'RE -- WHAT WE'RE BEING BITTEN

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1 BY IS SOME UNDERESTIMATES, SOME, OH, JUST GIVE US
2 ANYTHING BACK IN 1977 AND '78 THAT NOW IS COMING BACK TO
3 BITE US. THAT'S THE KIND OF SITUATION WE FOUND OURSELVES
4 IN TO JUST EXTEND OR MAINTAIN THIS SITE ANOTHER TEN
5 YEARS.

6 WE'RE NOT -- THE SITE IN THE PERMIT GOES, I
7 THINK, TO ELEVATION 440. WE'RE IN THE 435 RANGE RIGHT
8 NOW. IT VARIES, OF COURSE, FROM DIFFERENT SIDES AND
9 WHERE OUR OPERATING FACES ARE. BUT THAT'S THE CRUX OF
10 IT. WE DON'T SEE THIS AS A SITE FOR THE NEXT 40 YEARS.
11 WE SEE IT AS A SITE FOR THE NEXT TEN YEARS. THAT'S
12 CONSISTENT WITH OUR PLAN. THAT'S CONSISTENT WITH WHERE
13 WE'VE BEEN TELLING EVERYBODY WE'RE GOING. IT'S
14 CONSISTENT WITH WHERE WE'RE WORKING AT RIGHT NOW.

15 OUR BOARD OF SUPERVISORS IS INVOLVED IN
16 TRYING TO DEVELOP A REGIONAL FINANCING MECHANISM TO
17 FINANCE THE DISPOSAL OF SOLID WASTE. THAT'S ALL IN
18 PROGRESS. THAT'S ALL GOING IN THE WAY THE PLAN WOULD
19 HAVE IT GO. THIS IS JUST AN ISSUE. WE'RE MAINTAINING A
20 CLEAN SITE.

21 THIS TIRES WAS SOMETHING THAT IT WAS AN
22 ECONOMICAL SITUATION AT ONE TIME. THERE WAS A GOOD
23 CHANCE THAT A FURNACE-FIRED ELECTRICAL PLANT WAS GOING TO
24 BE CREATED IN THE COMMUNITY OF FORT BRAGG BY ONE OF THE
25 LUMBER COMPANIES, AND THESE TIRES WERE THEN SIMPLY GOING

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1 TO BE ADDED FUEL FOR THAT. THAT'S WHEN WE STARTED
2 STOCKPILING TIRES.

3 WE CERTAINLY RECOGNIZE THAT IT'S NOT GOING
4 TO GO AWAY. WE'VE GONE TO OUR BOARD. THE TIRES, WE CAN
5 RESOLVE THAT ISSUE. WE CAN RESOLVE IT WITHIN 90 DAYS.

6 I DON'T KNOW WHAT MORE TO SAY REGARDING
7 WHAT WE'RE TRYING TO DO UP THERE, AND WE'D INVITE YOU TO
8 COME TO OUR SITES. WE'RE PROUD OF OUR SITES. AS JERRY
9 TOLD YOU, I SAW THIS SITE, TOO, IN 1968, AND IT WAS A
10 DISGRACE. NOW IT'S A CLEAN OPERATING SITE, AND WE'RE
11 PROUD OF WHAT WE'VE BEEN ABLE TO DO WITH THE RESOURCES WE
12 HAVE.

13 CHAIRMAN GALLAGHER: LET ME ASK ANOTHER QUESTION
14 THEN. IS IT THE AMOUNT OF HEIGHT INCREASE THAT MAKES IT
15 A SIGNIFICANT CHANGE? WHAT IF THEY CAME IN WITH A
16 REQUEST FOR HALF THAT HEIGHT INCREASE? WOULD IT STILL BE
17 CONSIDERED A SIGNIFICANT CHANGE?

18 MR. DIER: YES, MR. CHAIRMAN. IN THAT STAFF'S
19 POSITION IS THAT ANY INCREASE IN HEIGHT ABOVE THAT OF THE
20 EXISTING PERMIT IS OUTSIDE THE TERMS AND CONDITIONS OF
21 THE PERMIT, AND THAT, ACCORDING TO OUR REGULATIONS,
22 REQUIRES A PERMIT REVISION.

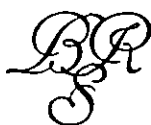
23 CHAIRMAN GALLAGHER: YES, MR. BEAUTROW.

24 BOARD MEMBER BEAUTROW: I TAKE A DIFFERING VIEW
25 THAN YOU ABOUT EXPOSING YOURSELF TO THE POSSIBILITY THAT

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1 THIS IS NOW DECLARED A NEW SITE. I DON'T SEE IT THAT WAY
2 AT ALL.

3 WE'RE SIMPLY SAYING THAT YOU WANT TO MODIFY
4 THE FACILITIES PERMIT, IT WAS A GRANDFATHERED SITE AND
5 YOU WANT TO DO CERTAIN THINGS. CAN'T THE LEA -- I DON'T
6 KNOW YOUR PARTICULAR SETUP -- ACTING AS THE LEAD AGENCY
7 UNDER CEQA FILE A NEGATIVE DEC? IN OTHER WORDS -- IN
8 YOUR MINDS IT'S DETERMINED THAT THIS IS NOT A REAL BIG
9 ISSUE, LEAVING THE SIGNIFICANT OUT OF IT, BUT I CERTAINLY
10 WOULD THINK THAT MAYBE YOU COULD CONSTRUE THAT THERE IS
11 NO SIGNIFICANT ENVIRONMENTAL IMPACT AND YOU COULD FILE A
12 NEGATIVE DEC AND GO THROUGH THIS RIGMAROLE LIKE EVERYBODY
13 ELSE DOES.

14 I WANT TO GIVE YOU THE LEEWAY; BUT, ON THE
15 OTHER HAND, WHAT ABOUT ALL OF THE OTHER PEOPLE THAT HAVE
16 TO GO THROUGH THE SAME PROCEDURE? WE JUST CAN'T LOOK THE
17 OTHER WAY. I DON'T TAKE THE VIEW THAT YOU'RE GOING TO BE
18 EXPOSED TO THE IT'S A BRAND NEW SITE AND WE'RE GOING TO
19 CLOSE IT DOWN. IT'S, RATHER, A MODIFICATION OF THE
20 FACILITY PERMIT. WHY --

21 MR. BELLISTON: YOUR REGULATIONS ARE VERY
22 SPECIFIC. IT'S PROCESSED AS IF IT WERE A NEW SITE.
23 THAT'S RIGHT OUT OF YOUR REGULATIONS, SIR.

24 CHAIRMAN GALLAGHER: MR. MOSCONE WOULD LIKE TO
25 ASK YOU A QUESTION.



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1 BOARD MEMBER MOSCONE: WOULD THIS IN ANY WAY
2 CHANGE THE REQUIREMENTS OF THE REGIONAL WATER QUALITY
3 CONTROL BOARD DISCHARGE REQUIREMENTS?

4 MR. BELLISTON: NOT THAT I'M AWARE OF. THEY
5 CERTAINLY ARE AWARE OF WHAT WE'RE DOING BECAUSE WE'RE
6 GOING THROUGH OUR SWAT'S RIGHT NOW, AND THEY'RE --
7 MOMENTARILY, ANY DAY, WE EXPECT TO HAVE OUR WASTE
8 DISCHARGE REQUIREMENTS RESET. THIS IS NOT AN ISSUE WITH
9 THEM, HAS NOT BEEN AN ISSUE WITH THEM.

10 BOARD MEMBER MOSCONE: SO YOU DON'T REALLY
11 EXPECT ANYTHING DRASTIC TO HAPPEN WITH THEM?

12 MR. BELLISTON: NO, WE DON'T.

13 CHAIRMAN GALLAGHER: MR. VARNER.

14 BOARD MEMBER VARNER: I'LL DIRECT THIS TO THE
15 STAFF. WE HAVE SITE EXPANSIONS FROM TIME TO TIME AND
16 THEY'RE GRANTED; ISN'T THAT TRUE?

17 MR. DIER: THAT'S CORRECT.

18 BOARD MEMBER VARNER: DO THEY ALL GO THROUGH
19 THIS PROCESS THAT WE'RE TALKING ABOUT HERE?

20 MR. DIER: YES, SIR, THEY DO.

21 BOARD MEMBER VARNER: OKAY. AND WE HAVE THAT
22 HAPPEN REGULARLY WHERE SITE EXPANSIONS ARE ALLOWED AND
23 THEY GO THROUGH THIS PROCESS WITHOUT -- AS I WOULD
24 UNDERSTAND IT, WHEN YOU GO TO GET A NEW SITE SITED, YOU
25 HAVE A CONSIDERABLY DIFFERENT PROBLEM TO BE FACED THAN

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1 YOU DO WITH SITE EXPANSION. AND THAT'S WHAT THIS IS, A
2 SITE EXPANSION, BEING UP INSTEAD OF OUT; IS THAT CORRECT?

3 MR. DIER: THAT'S CORRECT.

4 BOARD MEMBER VARNER: SO THAT'S WHAT KIND OF --
5 AND I THINK MR. BEAUTROW HIT IT ON IT THERE, THAT WE DO
6 HAVE THESE SITE EXPANSIONS, AND TO OUR KNOWLEDGE ANYWAY,
7 THEY DON'T HAVE THE PROBLEM THAT YOU HAVE WITH SITING A
8 NEW SITE.

9 MR. DIER: THE COMMENT THAT MR. BELLISTON MADE
10 REGARDING THE NEW AND EXPANDED SITES BEING ONE IN THE
11 SAME, I BELIEVE IT'S PROCEDURAL REFERENCE THAT HE'S
12 MENTIONING.

13 BOARD MEMBER VARNER: THAT'S FROM THE PAPERWORK
14 STANDPOINT.

15 MR. DIER: THE REQUIREMENTS THAT I WENT THROUGH
16 EARLIER ARE THE SAME REQUIREMENTS THERE ARE FOR A NEW
17 SITE, BUT THIS IS NOT A NEW SITE. THIS, LIKE YOU SAID,
18 IS AN EXPANSION OF AN EXISTING SITE.

19 BOARD MEMBER VARNER: AND THE REASON I SAY THAT
20 BECAUSE I, ALONG WITH, I THINK, THE REST OF THE BOARD
21 ENCOURAGES EVERYONE THAT HAS AN EXISTING FACILITY TO TRY
22 TO EXPAND IT AND MAKE IT LAST AS LONG AS THEY CAN BECAUSE
23 OF THE TREMENDOUS PROBLEM THAT IS INVOLVED WITH A NEW
24 SITE.

25 I'M SURE IN THIS CASE THESE GENTLEMEN FROM

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1 MENDOCINO COUNTY ARE LOOKING AND, OBVIOUSLY, DOWN THE
2 ROAD THEY'RE GOING TO HAVE TO HAVE SOME NEW SITES; BUT AT
3 LEAST THAT WOULD BE MY UNDERSTANDING, THAT THERE IS QUITE
4 A DIFFERENCE BETWEEN A SITE EXPANSION AND GETTING A NEW
5 SITE. AND HERE IT SOUNDS LIKE THEY ARE FEELING THAT IT'S
6 THE SAME THING.

7 BOARD MEMBER ARAKALIAN: WHO IS THE AUTHORITY
8 HERE ON OUR BOARD THAT WOULD KNOW THAT? I MEAN, I ASKED
9 THE QUESTION, AND THE GENTLEMAN HERE ANSWERED ME THAT IT
10 WOULD BE STARTING OUT FROM SCRATCH. WELL, DOES ANYBODY
11 HERE KNOW IF THAT'S A FACT OR NOT? IS THAT, IN FACT,
12 WHAT WOULD HAPPEN?

13 MR. IWAHIRO: I THINK WHAT DON HAS SAID IS THAT
14 PROCEDURALLY, IN TERMS OF MEETING CEQA, MEETING THE
15 COUNTY PLAN REQUIREMENTS, THE GENERAL PLAN REQUIREMENTS,
16 IS ABSOLUTELY CORRECT.

17 IN TERMS OF THE AMOUNT OF WORK THAT YOU
18 HAVE TO GO THROUGH. FOR INSTANCE, ON CEQA, YOU NEED A
19 NEGATIVE DECLARATION, YOU NEED A FULL-BLOWN EIR. THERE
20 MAY BE A DIFFERENCE IN TERMS OF A BRAND NEW SITE WHERE
21 NOTHING HAS BEEN -- IT'S VIRGIN GROUND VERSUS AN AREA
22 WHICH HAS HAD A WASTE FACILITY FOR SOME TIME, EXPANDING
23 IT, PERHAPS NEGATIVE DECLARATION, WHICH IS MUCH LESS WORK
24 THAN A FULL-BLOWN EIR.

25 BOARD MEMBER ARAKALIAN: HERB, I CAN'T



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1 UNDERSTAND YOU. I'M SORRY.

2 MR. IWAHIRO: I JUST WANT TO POINT OUT ONE AREA
3 WHERE THERE MAY BE A DIFFERENCE.

4 BOARD MEMBER ARAKALIAN: DIFFERENCE. I WANT TO
5 HEAR WHAT THE DIFFERENCE WOULD BE.

6 MR. IWAHIRO: A NEW SITE MAY REQUIRE -- MORE
7 THAN LIKELY WOULD REQUIRE A FULL-BLOWN ENVIRONMENTAL
8 IMPACT REPORT, WHICH IS A FAIRLY EXPENSIVE TYPE OF --

9 BOARD MEMBER ARAKALIAN: I'M AWARE OF THAT.

10 MR. IWAHIRO: HAVING AN EXPANSION WHERE A
11 FACILITY HAS BEEN OPERATING FOR MANY YEARS MAY REQUIRE
12 ONLY A NEGATIVE DECLARATION.

13 BOARD MEMBER ARAKALIAN: MAY, BUT YOU ARE NOT
14 SURE. NEGATIVE DEC WITHOUT THE EIR?

15 MR. IWAHIRO: YES, YOU SURE MAY. AND THAT WOULD
16 BE CONSIDERABLY LESS THAN A FULL-BLOWN EIR, AND THAT
17 DETERMINATION IS REALLY MADE BY THE LOCAL PLANNING
18 DEPARTMENT. SO THAT IS ONE DIFFERENCE IN TERMS OF THE
19 AMOUNT OF WORK AND TIME ENTAILED IN DEVELOPING A SITE.

20 BOARD MEMBER BEAUTROW: MR. CHAIRMAN, MAYBE I
21 CAN OFFER AN ALTERNATIVE.

22 CHAIRMAN GALLAGHER: WE'D BE GLAD TO HEAR ONE.

23 BOARD MEMBER BEAUTROW: WHY DON'T YOU, WITH THE
24 CONCURRENCE OF THE LEA, WITHDRAW YOUR APPLICATION INSTEAD
25 OF FORCING IT TO THE ISSUE WHERE WE HAVE TO DENY IT. GO

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1 BACK AND REGROUP AND COME UP WITH SOME KIND OF A
2 PROCEDURE AND, YOU KNOW, WORK AT IT THAT WAY. AND IN
3 OTHER WORDS, YOU BROUGHT THIS TO OUR ATTENTION BY THE
4 REVIEW OF THE PERMIT AND NOW TRYING TO ISSUE A PERMIT
5 THAT HAS A LOT OF GLITCHES IN IT. AND SO I DON'T KNOW.
6 THIS IS ONE WAY OF -- THAT WE HAVE DEALT WITH ISSUES.
7 YOU HAVE TO WITHDRAW IT VOLUNTARILY, AND THE LEA HAS TO
8 CONCUR, AND THEN THERE'S NOTHING FOR US TO ACT ON. AND
9 IT'S UP TO YOU TO PURSUE IT FROM THERE. THAT'S ANOTHER
10 ALTERNATIVE.

11 BOARD MEMBER ARAKALIAN: WE'RE CERTAINLY BEING
12 EMPATHETIC TO THIS. WE'RE TRYING TO FIGURE OUT YOUR
13 PROBLEM.

14 MR. BELLISTON: I'M JUST NOT SMART ENOUGH TO
15 KNOW -- I DIDN'T BRING LEGAL COUNSEL. I'M JUST NOT SMART
16 ENOUGH -- THE DIFFERENCE OF YOU TURNING US DOWN OR
17 WITHDRAWING IT. WE'D BE OPERATING WITHOUT A PERMIT, AND
18 WE'D END UP ON A LIST AS OPERATING WITHOUT A PERMIT.

19 BOARD MEMBER BEAUTROW: AREN'T YOU DOING THAT
20 TODAY?

21 MR. BELLISTON: WELL, I THINK WE'RE DOING IT
22 SIMPLY BECAUSE THE PROCESS HAS TAKEN SOME TIME SINCE THE
23 COMPLETION OF THE THING. I'M NOT SURE IF PERMITS EXPIRE
24 OR WHAT THE SITUATION IS. WE MAY BE SOMEWHAT DELINQUENT
25 IN OUR FIVE-YEAR REVIEW PROCESS, BUT WE COULDN'T BE VERY

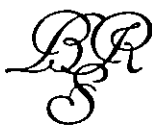
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1 DELINQUENT BECAUSE THE FIRST PERMIT WAS ISSUED IN '79 AND
2 WE'RE NOW IN '89. SO THAT'S TEN YEARS.

3 BOARD MEMBER BEAUTROW: MAYBE YOU'D LIKE TO --
4 ALLOW YOU THE OPPORTUNITY TO RETURN AT SOME DATE, WHETHER
5 IT'S NEXT MONTH OR SUBSEQUENT MONTHS OR SOMETHING, BUT IT
6 WOULD ALLOW YOU TO REALIZE WHAT YOU HAVE TO DEAL WITH
7 HERE AND TRY -- RATHER THAN US SIMPLY --

8 MR. BELLISTON: WE KNOW PRECISELY WHAT WE HAVE
9 TO DEAL WITH IF WE'RE INTO A REVISED PERMIT. WE HANDLE
10 ENVIRONMENTAL IMPACT REVIEWS EVERY DAY OF OUR LIVES. WE
11 MAKE OUR LIVING DOING A LOT OF THAT. WE BUILD ROADS AND
12 BRIDGES AND A LOT OF OTHER THINGS, SO WE KNOW PRECISELY
13 WHAT WE'RE INTO HERE. AND AS FAR AS THE TIME IT WILL
14 REQUIRE AND THE FISCAL RESPONSE -- FISCAL IMPACT ON OUR
15 BUDGET AND OTHER THINGS.

16 MR. DIER: MR. CHAIRMAN, ONE COMMENT. IN EITHER
17 CASE, IF THE BOARD OBJECTS TO THE PERMIT TODAY OR IF THE
18 PERMIT IS WITHDRAWN BY THE APPLICANT AND LEA, IN EITHER
19 CASE, THE EXISTING PERMIT WILL REMAIN IN EFFECT. SO THEY
20 WILL NOT BE OPERATING WITHOUT A PERMIT.

21 MR. BELLISTON: I APPRECIATE THAT, DON.

22 BOARD MEMBER VARNER: MR. CHAIRMAN, HOW LONG IS
23 THAT PERMIT GOOD FOR?

24 MR. DIER: THERE IS NO EXPIRATION DATE ON THE
25 PERMIT.

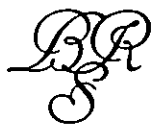
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1 BOARD MEMBER VARNER: THEN YOU ARE SOME DISTANCE
2 FROM BEING IN ANY KIND OF A VIOLATION AS FAR AS OPERATING
3 YOUR LANDFILL. YOU STILL HAVE -- DIDN'T I HEAR YOU SAY
4 SOME YEARS TO GO ON IT?

5 MR. BELLISTON: WE HAVE ABOUT 5 FEET. WE COULD
6 GO TWO TO THREE YEARS, DEPENDING ON HOW WE OPERATE.
7 WE'VE GOT SOME LOWER AREAS, TOO. THIS THING HASN'T BUILT
8 UP UNIFORMLY. IT'S HIGHER IN SOME AREAS THAN IN OTHERS.
9 SO THERE IS QUITE A BIT OF ROOM THERE. YOU ALSO GOT THIS
10 IDEA OF WHAT IS THE 440? YOU KNOW, YOU GOT THE DATUM
11 THING YOU CAN PLAY WITH 4 OR 5 FEET THAT WAY, TOO.

12 BOARD MEMBER VARNER: THAT'S WHAT I THOUGHT I
13 HEARD YOU SAY. IN OTHER WORDS, YOU'VE GOT A COUPLE OF
14 YEARS. SO YOU'RE NOT IN ANY A CRISIS SITUATION HERE. SO
15 TO GO BACK AND REVIEW THE THING AND MAYBE COME UP WITH A
16 BETTER APPROACH TO IT, YOU ARE NOT IN A CRISIS SITUATION,
17 SO THERE MAY BE A BETTER APPROACH TO IT THAN WHAT YOU ARE
18 TAKING NOW.

19 MR. BELLISTON: YOU KNOW, IF YOUR BOARD CONCURS
20 WITH YOUR STAFF, WE'LL HAVE NO ALTERNATIVE BUT TO
21 PROCEED. WE WANT TO BE CONSISTENT WITH THE REGULATIONS
22 AND CONSISTENT WITH THE POLICIES OF THIS BOARD, AND WE
23 WORK VERY HARD AT BEING THAT. WE'RE NOT GOING TO GO OFF
24 AND DO ANYTHING RASH. WE'RE NOT OUTLAWS OVER THERE. WE
25 WANT TO COMPLY, AND WE WANT TO BE PART OF THE PROCESS.

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1 WE JUST FELT THAT THERE WAS ENOUGH ROOM
2 WITHIN THE GUIDELINES OF WHAT CONSTITUTES SIGNIFICANT
3 CHANGE TO MAKE A DETERMINATION THAT THIS IS NOT A
4 SIGNIFICANT CHANGE AND THAT WE CAN OPERATE FOR ANOTHER
5 TEN YEARS, MAINTAIN THE SERVICE AT THE SITE, MAINTAIN IT
6 WITH INVESTING DOLLARS IN THE SITE ITSELF AND NOT IN
7 ENVIRONMENTAL REVIEWS AND HEARINGS AND OTHER PROCESSES
8 THAT TAKE TIME AND MONEY.

9 BOARD MEMBER VARNER: I APPRECIATE THAT. I
10 THINK THAT THE BOARD HERE IS PRETTY WELL IN AGREEMENT
11 THAT THIS CERTAINLY IS A SITUATION THAT CALLS FOR A SITE
12 REVISION BECAUSE WE'VE GONE THROUGH A NUMBER OF THESE.
13 AND TO BE CONSISTENT WITH OUR OWN GUIDELINES, WE DON'T
14 HAVE ANY CHOICE THAT I CAN SEE TO CALL IT, IN THIS CASE,
15 WITH THE APPLICATION THAT MAKES A SIGNIFICANT CHANGE, AND
16 IT CALLS FOR A SITE REVISION. IN OTHER WORDS, THAT'S WHY
17 WE HAVE SITE REVISIONS BECAUSE YOU ARE REVISING IT FROM
18 WHAT IT ORIGINALLY WAS. I DON'T KNOW HOW IT COULD BE
19 TERMED OTHERWISE.

20 MR. BELLISTON: WE CERTAINLY RESPECT THE
21 BOARD'S -- WE REGRET THAT WE'VE HAD TO BRING THIS KIND OF
22 ISSUE TO YOU, BUT WE HAD TO PURSUE IT. IT'S JUST A
23 MATTER OF DOLLARS AND TIME, AND WE HAD TO PURSUE IT.

24 BOARD MEMBER VARNER: CERTAINLY, WE ARE ONE THAT
25 ARE ALWAYS HERE TO TRY TO NOT CREATE PROBLEMS, BUT TO

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1 ALLEVIATE THEM, BUT WE HAVE TO DO IT WITHIN A CERTAIN
2 CONTEXT ALSO.

3 MR. BELLISTON: WE UNDERSTAND. I ALSO AM A
4 REGULATOR IN THE COUNTY IN THE SUBDIVISION PROCESS. SO I
5 WEAR A REGULATOR'S HAT ONE DAY AND A DOER'S HAT THE NEXT.

6 CHAIRMAN GALLAGHER: MR. BROWN.

7 BOARD MEMBER BROWN: WELL, JUST ONE FINAL
8 COMMENT, AND IT SUPPORTS WHAT MR. BEAUTROW SAID. I WOULD
9 BE MORE COMFORTABLE IF YOU FOLKS WOULD WITHDRAW TODAY AND
10 GO HOME AND STEW ABOUT IT SOMEHOW OR OTHER. MAYBE YOU'VE
11 GOT TO COME BACK IN A MONTH OR TWO AND GO THROUGH THIS
12 ONCE AGAIN. I HATE TO SEE US RULE AGAINST YOU. MAYBE
13 I'M JUST TRYING TO PUT OFF THE INEVITABLE.

14 MR. BELLISTON: MR. BROWN, IN DUE RESPECT, I
15 DON'T IN MY OWN MIND -- AND HERE AGAIN, I'M NOT PREPARED
16 FOR THAT PARTICULAR ISSUE -- IN MY OWN MIND, I DON'T KNOW
17 WHAT DIFFERENCE IT MAKES TO US. WHILE I HATE TO FORCE
18 YOU INTO A DECISION --

19 BOARD MEMBER BROWN: YOU KNOW BEST.

20 BOARD MEMBER BEAUTROW: I THINK YOU'RE MAKING A
21 DRASTIC MISTAKE. I'M GOING TO MOVE 89-35.

22 CHAIRMAN GALLAGHER: JUST A MOMENT. MR. MOSCONE
23 WOULD LIKE TO ASK ANOTHER QUESTION.

24 BOARD MEMBER MOSCONE: YOU KNOW, AS FAR AS THIS
25 BEING SIGNIFICANT CHANGE, YOU KNOW, I'VE SEEN SITES THAT

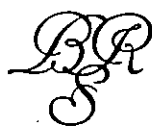
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1 ADDING 34 FEET TO THE SITE MEANS TWO COMPLETE LIFTS.

2 MR. BELLISTON: SEE, THIS IS A SMALL SITE, MR.
3 MOSCONE. WE DEAL WITH ABOUT 7,000 TONS A YEAR. IT'S NOT
4 A -- YOU KNOW, IT'S NOT A LARGE SITE THAT YOU ARE USED TO
5 DEALING WITH.

6 BOARD MEMBER MOSCONE: I CAN SEE YOUR POINT ALL
7 RIGHT; BUT, YOU KNOW, WE'RE GOING TO HAVE SOMEBODY ELSE
8 COME IN HERE AND SAY, "WELL, HOW COME YOU DID THIS IN
9 MENDOCINO? WHY ARE YOU TURNING US DOWN?" IF SOMEONE ELSE
10 COMES IN WITH THE SAME PROBLEM.

11 MR. BELLISTON: I CERTAINLY UNDERSTAND THAT.

12 CHAIRMAN GALLAGHER: MS. BREMBERG.

13 BOARD MEMBER BREMBERG: WHY YOU DON'T CONSIDER
14 THIS A CHALLENGE AND GET YOUR REGIONAL PLAN DONE
15 IMMEDIATELY? IT CAN'T COST ANY MORE TO GET BUSY ON YOUR
16 REGIONAL PLAN THAN IT WOULD BE TO CONFORM TO THIS WHILE
17 WORKING UNDER YOUR PRESENT PERMIT.

18 MR. BELLISTON: HAVE TO GET THREE, FOUR CITIES
19 AND A COUNTY BOARD OF SUPERVISORS, AND EVERYBODY
20 TOGETHER. IT'S CONSIDERABLY MORE EFFORT, BUT IT'S BEING
21 WORKED ON RIGHT NOW.

22 BOARD MEMBER BREMBERG: I LIVE IN L.A. COUNTY
23 AND THAT'S 85 CITIES. YOU KNOW, IT SEEMS RELATIVELY EASY
24 TO ME FOR YOU TO DO IT.

25 MR. BELLISTON: I SPEND ABOUT FIVE HOURS A WEEK

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1 ON SOLID WASTE. THE OTHER TIME I'M ON OTHER THINGS. WE
2 DO HAVE THAT PROBLEM, TOO. WE DON'T HAVE UNLIMITED
3 STAFF.

4 BOARD MEMBER BEAUTROW: MOVE 89-35, WHICH DENIES
5 THE PERMIT.

6 BOARD MEMBER BREMBERG: SECOND.

7 CHAIRMAN GALLAGHER: WE HAVE A MOTION AND A
8 SECOND TO MOVE STAFF RECOMMENDATION 89-35. ALL THOSE IN
9 FAVOR? OPPOSED? CARRIED AND SO ORDERED.

10 MOVE NOW TO ANOTHER ITEM AFFECTING
11 MENDOCINO COUNTY, ITEM NO. 9.

12 MR. DIER: MR. CHAIRMAN, I CAN TALK TO YOU ABOUT
13 ITEM NO. 9 ON A LITTLE LIGHTER NOTE, FORTUNATELY. THIS
14 DEALS WITH THE ISSUANCE OF A MODIFIED PERMIT FOR THE CITY
15 OF WILLITS DISPOSAL SITE.

16 THIS PERMIT HAS UNDERGONE A REVIEW UNDER
17 THE FIVE-YEAR REVIEW PROGRAM. THE LOCAL ENFORCEMENT
18 AGENCY HAS DETERMINED THAT THERE IS NO SIGNIFICANT CHANGE
19 IN DESIGN OR OPERATION OF THE FACILITY.

20 THERE IS ONE THING GOING ON, THOUGH, AND
21 THAT IS THAT THE ORIGINAL REPORT OF DISPOSAL SITE
22 INFORMATION STATED THAT THE TOTAL SITE ACREAGE WAS 317
23 ACRES AND THAT ONLY 100 ACRES WOULD BE ULTIMATELY USED
24 FOR DISPOSAL. TO DATE THERE HAS ONLY BEEN WASTE
25 DEPOSITED ON 15 OF THOSE ACRES.



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1 THE NEW RDSI ACCOMPANYING THE APPLICATION
2 FOR PERMIT REVIEW INCLUDED A SITE DEVELOPMENT PLAN FOR
3 THE COMPLETION OF THE 15-ACRE PARCEL, WHICH IS
4 ANTICIPATED IN 1992. IN 1992, THEN, THE OPERATOR WILL
5 SUBMIT AN UPDATED RDSI, DESCRIBING RELOCATION TO ANOTHER
6 AREA OF THE 100 ACRES ORIGINALLY INTENDED FOR DISPOSAL.

7 SO AT THAT TIME THE LEA ANTICIPATES
8 SUBMITTING ANOTHER MODIFIED PERMIT TO REFLECT THE
9 RELOCATED OPERATION.

10 ASIDE FROM THAT, STAFF HAS REVIEWED THE
11 MATERIAL, THE PERMIT, AND SUPPORTING DOCUMENTS, AND
12 AGREES WITH THE LEA'S REQUIRED FINDINGS, AND IS ABLE TO
13 RECOMMEND TO YOU THIS AFTERNOON THAT YOU ADOPT PERMIT
14 DECISION NO. 89-36, CONCURRING IN THE ISSUANCE OF PERMIT
15 NO. 23 AA 0021. CONTRASTS SLIGHTLY WITH THE LAST ITEM
16 THERE. WE'RE IN AGREEMENT.

17 CHAIRMAN GALLAGHER: DO EITHER OF YOU GENTLEMEN
18 FROM MENDOCINO WANT TO COMMENT ON THIS ONE? ARE THERE
19 ANY QUESTIONS OF MR. DIER?

20 BOARD MEMBER BROWN: MOVE 89-36.

21 CHAIRMAN GALLAGHER: HAVE A MOTION TO MOVE
22 89-36. CAN I HAVE A SECOND, PLEASE?

23 BOARD MEMBER VARNER: SECOND.

24 CHAIRMAN GALLAGHER: HAVE A SECOND TO THAT
25 MOTION NOW. ALL THOSE IN FAVOR? OPPOSED? CARRIED AND

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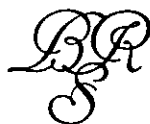


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1 SO ORDERED.

2 CHAIR IS GOING TO CALL A RECESS UNTIL IN
3 THE MORNING AT 9 O'CLOCK FOR CLOSED SESSION TO DISCUSS
4 LITIGATION AND PERSONNEL PROBLEMS. THERE WILL BE A
5 RECONVENING OF THE BOARD AND THOSE ALLOWED STAFF PEOPLE
6 AT 20 MINUTES TO FOUR.

7
8 (END OF PROCEEDINGS.)
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REPORTER'S CERTIFICATE

I, BETH C. DRAIN, HEREBY CERTIFY THAT ON THE 20TH DAY OF APRIL 1989, I DID REPORT IN SHORTHAND THE TESTIMONY AND PROCEEDINGS OF THE FOREGOING HEARING;

THAT AT THE CONCLUSION OF THE ABOVE-ENTITLED MATTER, I DID TRANSCRIBE MY SHORTHAND NOTES INTO TYPEWRITING; AND THAT THE FOREGOING TRANSCRIPT IS A TRUE AND CORRECT COPY OF MY SHORTHAND NOTES THEREOF.

Beth C. Drain

CERTIFIED SHORTHAND REPORTER

CERTIFICATE NUMBER 7152



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